

EXTENSIONS OF REMARKS

INTRODUCING HOUSE RESOLUTION 146, EXPRESSING THE SENSE OF THE HOUSE ON THE NEGOTIATION OF CERTAIN TRADE AGREEMENTS

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. GEPHARDT. Mr. Speaker, Congress is about to consider whether to grant the administration so-called fast-track authority. If adopted, that means the President can get a vote on future trade agreements—such as a new General Agreement on Tariffs and Trade or a North American Free Trade Agreement—with in 60 days after he submits them. Moreover, it limits the ability of Congress to amend the implementing language of trade treaties.

Almost everyone agrees that the GATT Treaty should be handled expeditiously and without amendments, because we recognize that an agreement reached among 107 nations is simply not amenable to renegotiation. That does not mean there are no differences about our goals for GATT; there are. But Congress has already enacted negotiating objectives for this treaty, and the administration knows our resolve in having these objectives met.

At its essence, this debate is about whether to extend fast-track authority for implementing legislation that would follow a yet-to-be-concluded North American Free Trade Agreement.

But this issue is about more than procedure. For many years, I have fought to advance two principles on international trade: First, that patently unfair treatment of American products in foreign countries robs us of jobs at home; second, that trade policy means more than reducing tariffs; it means defining our national strength, determining control of our economic destiny, and deciding whether our families' standard of living will rise or fall.

In this expansive view of trade, what we call trade policy also includes nontariff barriers to trade, training and adjustment, research and development, exchange rates and antitrust laws, environment and education, corporate responsibility and workplace democracy, Presidential leadership and national purpose. For the last 11 years, this truth has eluded the Reagan and Bush Administrations.

Their failure to recognize the world as it is, instead of how their ideologies say it should be, has cost American workers their jobs, American industries their markets, and all Americans a measure of control of their economic destiny.

We need time to make fundamental changes in all of the areas I have described if America is going to succeed economically in the 21st century.

Because this Republican administration, like its predecessor, has been willing to pursue trade policies that cost American jobs, I approached the proposed grant of fast track authorization for future trade agreements with a great deal of skepticism. Over a long and productive dialog, I raised several important concerns with the administration. I can say today that on many of the issues they have moved a good distance.

Responding to congressional pressure, the administration has agreed to significant protections for American jobs, retraining and other support for those Americans who may lose their jobs despite the protections I have advocated; stringent environmental protections; strict rules to ensure that other nations do not use Mexico as an export platform; strong new provisions to protect Mexican workers against abuse; transition measures to help American companies adjust to the changed world, and an escape clause that will allow us to suspend aspects of the treaty that might have an unintended negative effect on the American economy.

At bottom, fast track is a grant of negotiating authority, and we must recall John Kennedy's advice: "Let us never negotiate out of fear; but let us never fear to negotiate."

Rather than fearing to negotiate, we should recognize that the right kind of free trade treaty could create more than a quarter-million new American jobs, reduce our trade deficit by \$8 to \$9 billion, and help stem the flood of illegal workers streaming into the United States from Mexico.

I have decided to support fast track authorization for negotiating trade treaties, based on what I might call a "trust but verify" trade policy. This consists of:

First, providing fast track authority;

Second, passing the resolution which Chairman ROSTENKOWSKI and I are introducing today, reminding the administration of our objectives; and

Third, retaining the right under House rules to amend the implementing language—as fast track clearly provides—if the treaty and the implementing language they send to Congress fail to live up to these objectives.

In light of the many commitments from the administration to protecting American jobs and advancing American interests through this treaty, I am prepared to support an extension of fast-track authority for trade treaties. But I do so with this caveat: If the administration sends to this Congress a trade treaty that trades away American jobs; or tolerates pollution of the environment or abuse of workers, we can and we will amend it or reject it. I am serving notice both to the Bush administration and to the Mexican Government: I intend to do just that. That's what trust but verify is all about.

INTRODUCING HOUSE RESOLUTION 146, EXPRESSING THE SENSE OF THE HOUSE ON THE NEGOTIATION OF CERTAIN TRADE AGREEMENTS

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. ROSTENKOWSKI. Mr. Speaker, today I join with the distinguished majority leader, DICK GEPHARDT, in introducing House Resolution 146. This resolution memorializes the commitments made by the President in his letter of May 1 to Senator BENTSEN, Majority Leader GEPHARDT, and me, relating to his request for a 2-year extension of fast-track authority for implementation of trade agreements.

It states the sense of the House that on the basis of such commitments to address issues relating to environmental protection, health and safety standards, worker and industry adjustment assistance and worker rights, and on the expectation that such commitments will be fully carried out, the fast-track procedures should be extended.

The resolution clearly states, however, that the fast-track procedures are rules of the House and, as such, are subject to change like any other rule of the House. If the commitments set forth in the President's letter are not fulfilled, the Congress can revisit the issue of fast track. I sincerely hope and expect that this will not be necessary.

The resolution also stresses the need for a cooperative, bipartisan working relationship between the Congress and the executive branch, in which the full range of interests and concerns relating to the negotiation and implementation of trade agreements can be considered and resolved in a manner that best serves the national economic interest. To this end, the resolution calls on the administration to consult fully on all aspects of the negotiations of a North American free-trade agreement and the Uruguay round. In addition, the resolution requires the administration and appropriate labor and industry advisory committees to report to the Congress on the extent to which satisfactory progress has been made in achieving the objectives set forth in the President's response of May 1.

Finally, and I believe most importantly, the resolution clearly states that implementation of any North American free-trade agreement must be accompanied by an effective worker adjustment program, developed by the administration and the Congress, that is adequately funded and ensures that workers who may lose their jobs as a result of such agreement will receive prompt, comprehensive, and effective services, either through a new program, or improvement or expansion of an existing program.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

I was personally satisfied that the action plan set forth in the President's letter was both credible and compelling. On the basis of that plan, I announced my strong support for extension of the President's fast-track authority. My support for extension of fast track is not contingent on passage of this resolution. I have joined in introducing this resolution, however, because I recognize that a number of Members remain uncomfortable about granting the President's fast-track request. I am hopeful that this resolution provides those Members with adequate assurances that the Congress will be a full-fledged participant throughout the negotiation and implementation process.

Mr. Speaker, it is my intention to take up this resolution in the Committee on Ways and Means at the same time as we consider House Resolution 101, the fast-track disapproval resolution. It is my hope that House Resolution 101 will be defeated and House Resolution 146 will pass. I intend to report both resolutions to the floor, however, and would like to see the two resolutions taken up together. At that time, I will strongly urge my colleagues to defeat House Resolution 101 and pass House Resolution 146. The administration needs the fast-track authority to have credibility at the negotiating table. Through passage of House Resolution 146, we will put the administration and our negotiating partners on notice that the Congress fully intends to play an active role in the negotiations of both a GATT Agreement and any North American free-trade agreement.

FEDERAL SERVICES TO AMERICAN INSULAR AREAS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. MILLER of California. Mr. Speaker, the Congressional Research Service has prepared a very useful chart explaining how Federal programs apply in the U.S. territories and insular areas. In many cases, Americans living in these areas are either ineligible, or eligible at reduced funding levels for such Federal Programs as Aid to Families with Dependent Children, Supplemental Security Income, and the Earned Income Tax Credit.

I encourage my colleagues to review CRS's report which helps to clear up the confusion concerning the way we treat U.S. citizens living in outlying areas:

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, March 25, 1991.

From Carolyn L. Merck, Specialist in Social Legislation, Education and Public Welfare Division.

Subject: Federal Social Welfare Programs in Outlying Areas.

In response to your request, the following table shows the outlying areas in which the major Federal social welfare programs are in effect and those areas in which they are not in effect.

The word "yes" in the column headed "covered" under each outlying area designates that Federal law permits the program to operate in that area. The column headed "special rules" notes whether the program operates in that area according to the same rules that apply in the States or according to different rules. The notes to the table explain the nature of any special rules. The programs included in the table are:

- Aid to Families with Dependent Children (AFDC).
- Aid to the Aged, Blind, or Disabled (AABD).
- Supplemental Security Income (SSI).
- Food stamps.
- Medicaid.
- Medicare.
- Old-Age, Survivors, and Disability Insurance (OASDI).
- Unemployment Compensation.
- Earned Income Tax Credit (EITC).
- Maternal and Child Health (MCH) block grant.
- Title IV-B Child Welfare Services.
- Title IV-E Foster Care and Adoption Assistance.
- Title XX Social Services.
- School Lunch and School Breakfast.
- Special Supplemental Food Program for Women, Infants, and Children (WIC).
- Summer Food Service.
- Child Care Food.

In general, extension of these programs to jurisdictions other than States requires that the law authorizing the program specify the area as eligible to participate. Thus, where the table indicates that the area is not covered ("no" under the column headed "covered"), the program cannot be implemented without a change in Federal law.

In some cases, a program is available to outlying areas by law, but the jurisdiction has not implemented it (these programs are noted by footnotes "b", "c", or "n"). In addition, all programs administered by the U.S. Department of Agriculture may be extended to outlying areas at the discretion of the Secretary of Agriculture, even though the area is not specifically mentioned in the authorizing legislation. (These programs are noted by footnote "g".) Where such programs have not been implemented, they could be if the Secretary were to authorize operation.

Please call me at 7-5885 if you have any questions.

TABLE 1.—FEDERAL SOCIAL WELFARE PROGRAMS IN THE OUTLYING AREAS

Program	Puerto Rico		Virgin Islands		Guam		Northern Marianas		American Samoa		Marshall Islands and Micronesia		Palau	
	Covered	Special rules	Covered	Special rules	Covered	Special rules	Covered	Special rules	Covered	Special rules	Covered	Special rules	Covered	Special rules
AFDC	Yes	Yes ¹	Yes	Yes ¹	Yes	Yes ¹	Yes ²	Yes ²	Yes ³	Yes ³	No	No	No	No
AABD	Yes	No	Yes	No	Yes	No	No ²	No	No	No	No	No	No	No
SSI	No	No	No	No	No	No	Yes	No	No	No	No	No	No	No
Food stamps	No ⁴	Yes	Yes ⁵	Yes	Yes ⁵	Yes ⁵	Yes ⁶	Yes ⁶	Yes ⁷	Yes ⁷	No ⁷	No ⁷	No ⁷	No ⁷
Medicaid	Yes	Yes ⁸	Yes	Yes ⁸	Yes	Yes ⁸	Yes	Yes ⁸	Yes	Yes ⁸	No	No	No	No
Medicare	Yes	Yes ⁹	Yes	Yes ¹⁰	No	No	No	No						
OASDI	Yes	No	Yes	No	Yes	No	Yes	No ¹¹	Yes	No	No	No	No	No
Unemployment Compensation	Yes	No	Yes	No	No	No	No							
EITC	No ¹²	No	No ¹²	No	No ¹²	No	No ¹²	No	No ¹²	No	No ¹²	No	No ¹²	No
Maternal/Child Health	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Child Welfare	Yes	Yes ¹³	Yes	Yes ¹³	Yes	Yes ¹³	Yes	Yes ¹³	Yes	Yes ¹³	No	No	No	No
Foster Care/Adoption	Yes ¹⁴	Yes ¹³	Yes ¹⁴	Yes ¹³	Yes ¹⁴	Yes ¹³	Yes ¹⁴	Yes ¹³	Yes ¹⁴	Yes ¹³	No	No	No	No
Social Services	Yes	Yes ¹³	Yes	Yes ¹³	Yes	Yes ¹³	Yes	Yes ¹³	Yes	Yes ¹³	No	No	No	No
School Lunch/Breakfast	Yes	Yes ^{16,17}	Yes	Yes ¹⁶	No ^{7,18}	No	Yes ¹⁵	Yes						
WIC	Yes	No	Yes	No	Yes	No	Yes ¹⁴	No	Yes ¹⁴	No	No ⁷	No	Yes ⁷	No
Summer Food Service	Yes ⁷	No	Yes	No	Yes ⁷	No	Yes ⁷	No	Yes ⁷	No	No ^{7,18}	No	Yes ¹⁴	Yes
Child Care Food	Yes ¹⁴	No	Yes	No	Yes ¹⁴	No	Yes ¹⁴	No	Yes ¹⁴	No	No ^{7,18}	No	Yes ¹⁴	Yes

¹ The Federal matching rate is 75 percent rather than a rate based on per capita income. However, the Social Security Act sets a dollar maximum on Federal payments for AFDC, Emergency Assistance, AABD, and Foster Care and Adoption Assistance.

² The Northern Mariana Islands do not operate an AFDC or AABD program. However, Sec. 502 of P.L. 94-241 specifies that all Federal services and financial assistance programs applicable to Guam shall be applicable to the Northern Marianas. Nevertheless, this provision is irrelevant with respect to the AABD program because the Northern Marianas operate the SSI program, which replaces the AABD program.

³ Since October 1, 1988, jurisdiction has been eligible to participate, but has not implemented this program. If the program were implemented, the Federal matching rate would be 75 percent. However, the Social Security Act sets a dollar maximum on Federal payments for both AFDC and Foster Care and Adoption Assistance.

⁴ Puerto Rico receives a block grant of Federal funds with which it operates a cash Nutrition Assistance program for needy households.

⁵ The regular Food Stamp program operates in the Virgin Islands and Guam, except that benefit levels differ from those for the 48 contiguous States (recognizing substantially higher food prices), and the degree to which recipients' income is "disregarded" for excessively high nonfood living expenses differs from the 48 States (recognizing significant differences in these costs of living). Similar adjustments also are made for Alaska and Hawaii.

⁶ Under the terms of the 1976 covenant with the Commonwealth, a variant of the regular Food Stamp program operates in the Northern Mariana Islands. The four basic differences from the regular Food Stamp program are: (1) Federal funding is limited to \$3.7 million; (2) benefit levels are significantly higher than in the 48 contiguous States; (3) income eligibility limits are substantially lower than in the 48 States; and (4) a portion of each recipient's food stamp allotment (25 percent) must be used to purchase locally produced food (coupons for local food are differentiated by color).

⁷ P.L. 96-597 (Sec. 601(c)) authorizes the Secretary of Agriculture to extend, at his discretion, the Food Stamp program (and other Agriculture Department programs) to American Samoa, the Federated States of Micronesia, the Marshall Islands, and Palau. If the Secretary chooses to extend the program to territories, he may specify special rules for the programs.

⁸ The Federal matching rate is 50 percent rather than a rate based on per capita income, and Sec. 1108(c) of the Social Security Act sets a dollar maximum on Federal Medicaid payments to the territories.

⁹ Hospital reimbursement rates under the prospective payment system in Puerto Rico are lower than in the States.

¹⁰ Hospital prospective payment system is not applicable.

¹¹ Currently operating under transitional rules until coverage is complete.

¹² Some U.S. Government employees who are subject to the U.S. income tax while assigned to work in a U.S. territory might be eligible for EITC, but the general population would not be eligible.

¹³ Special rules govern how funding allocations are made to these jurisdictions (or would govern if the jurisdiction elected to implement the program), as distinct from the way allocations are made to States.

¹⁴ Jurisdiction is eligible to participate, but has chosen not to implement this program. (Sec. 502 of P.L. 94-241 specifies that all Federal services and financial assistance programs applicable to Guam shall be applicable to the Northern Marianas.)

¹⁵ Jurisdiction provides lunch only, not breakfast.

¹⁶ Secretary is permitted to adjust average payment rates for meals to reflect differences in costs of providing meals from those in continental States.

¹⁷ Definitions of "school" includes nonprofit child care centers in Puerto Rico.

¹⁸ National School Lunch Act programs were discontinued at the end of 1986 when the status of the Marshall Islands and Micronesia changed from "Trust Territories" to "Freely Associated States."

TRIBUTE TO PATRICK B. BRENNAN

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Patrick B. Brennan, of North Smithfield, RI, this year's recipient of the "Congressman Ronald K. Machtley Academic and Leadership Excellence Award" for Mount Saint Charles Academy, in Woonsocket, RI.

This award is presented to the student chosen by Mount Saint Charles Academy who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Patrick B. Brennan has certainly met these criteria. He is the president of the Student Council and an officer of the National Honor Society. He has also participated all 4 years on the varsity soccer and tennis teams. In addition, Patrick is a volunteer at his local parish and a member of the Mount Saint Charles Academy chapter of Students Against Drunk Driving.

I commend Patrick B. Brennan for his outstanding achievements and wish him all the best in his future endeavors.

EIGHT SENIOR GIRL SCOUTS TO BE HONORED WITH GOLD AWARD

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. SOLOMON. Mr. Speaker, I am particularly proud of eight young ladies in the 24th Congressional District of New York.

On Sunday, May 26, eight senior Girl Scouts from Troop 619 will be honored in a Gold Award Ceremony at the Elks Lodge No. 2530 in Kinderhook.

Mr. Speaker, this is a nationally recognized award, the equivalent of an Eagle Scout Award. Many of you in this body have been involved in Scouting, as I have been for most of my adult life. We all know the effort that was required to earn this award. And we can all agree that participation in Scouting during the formative years of life is a most effective apprenticeship for adulthood and citizenship. The young men and women who excel in Scouting today are tomorrow's leaders in every sphere of activity.

Those to be honored are Brandi Brown, Mary Crotty, Deborah Donahue, Kristin Esposito, Jessica Frederick, Lisa Graziano, Lorie Norton, and Gretchen Teal.

Mr. Speaker, I would ask you and all Members to join me in commending these eight Girl Scouts for their outstanding achievement.

FEDERAL JUSTICE DRUG GRANTS ARE GETTING TO THE STATE AND LOCAL GOVERNMENTS IN TIMELY FASHION

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. COUGHLIN. Mr. Speaker, I rise today to commend the Office of National Drug Control Policy and the Department of Justice who both, working together, have ensured that Federal Justice drug grant money is reaching the State and local governments in a timely fashion. Under the Bush administration, Federal justice grants have increased over 350 percent. The Justice Department has worked tirelessly to ensure that grant applications are turned around in a timely fashion. Local governments, in turn, have received 16 percent over the amount required by law.

In April of this year, ONDCP released a bulletin which contained updated information on the grant application process and detailed how grant funds are used. This bulletin along with a previous ONDCP white paper entitled, "Federal Drug Grants to States" are available to State and local governments to help them through the application process.

Following are the results, as they appeared in the ONDCP bulletin on "Justice Drug Grants to States":

JUSTICE DRUG GRANTS TO STATES FY 1991 GRANT APPLICATION AND AWARD DATES

All FY 1991 grant applications have been received and approved, and all \$423 million in FY 1991 grants has been awarded to the States. A review of this year's grant-making process shows continued improvement in the timeliness of States' submitting applications and receiving grant awards. This has been a consistent trend since the programs first started in FY 1987.

Part of this improvement is due to the timely submission of applications by States. The law requires States to submit their applications no later than 60 days after appropriations are enacted. This year's deadline fell on January 4, 1991. All but nine of the State applications were received by January 4, and the remaining applications arrived during the following week. This year's median application date (the date by which half the State applications had been submitted) was 18 days earlier than the median application date for the FY 1990 grants.

BJA also reviewed and approved applications in a timely manner. The law requires BJA to approve completed applications within 45 days of receiving them. All but one application was approved within 45 days. The one exception (the application from Michigan) took 52 days because the initial submission was incomplete. However, BJA approved the application 7 days after it was completed. BJA took an average of 37 days between receiving and approving applications. The median award date was 7 days earlier than the 1990 median award date.

GRANT OUTLAYS

The December White Paper contained outlay data for Justice grants as of June 30, (the third quarter of FY 1990) showing that 40 per-

cent of the total grants awarded from 1987 to 1990 has been expended by States. This should not be interpreted as a low level of expenditures; the percent of grants expended is heavily influenced by the size of the FY 1990 grant awards, which were 230 percent greater than the FY 1989 grants. The \$395 million awarded in FY 1990 represented 53 percent of the \$748 million in total awards made from FY 1987 to FY 1990. Since only a small amount of the FY 1990 award was expended as of the third quarter of 1990, the expenditure rate appeared low.

This bulletin updates outlay data contained in the December White Paper by including outlays through the first quarter of FY 1991. Expenditures through the first quarter of FY 1991 (December 31, 1990) total \$394.3 million, or 53 percent of total awards made from 1987 to 1990.

Expenditures for the 1987, 1988, and 1989 grants are much higher (99, 94, and 77 percent, respectively). This clearly shows that States are expending almost all of the Justice grant awards well within the three-year period allowed by BJA.

SUBAWARDS TO LOCAL GOVERNMENTS

After BJA makes a grant award to a State, the State makes subawards for various projects or activities. Between FY 1987 and FY 1990, States made over 5,600 subawards for State and local criminal justice projects using Justice drug grants.

States are required by law to "pass through" a certain proportion of their grants to local governments. The proportion required to be passed through, based on a ratio called the variable pass-through (VPT), is the percentage of all State and local criminal justice expenditures in each State that comes from local sources. Since each State has a different mix of State and local criminal justice expenditures, and thus a unique VPT, the proportion to be passed through differs from State to State.

States can, and most do, pass through more than the amount required by law. From FY 1987 to FY 1990, States passed through to local governments \$57.5 million more than the required amount under the VPT provisions. This represented an additional 16 percent to local governments. Table 1 shows the amounts (1) required by law and (2) actually passed through to local governments for each year.

TABLE 1.—REQUIRED AND ACTUAL AMOUNTS STATES PASSED THROUGH TO LOCALS

(Dollar amounts in millions)

Year	Required	Actual	Difference	
			Amount	Percent
1987	\$94.4	\$107.8	\$13.4	14
1988	26.5	31.7	5.2	20
1989	60.5	72.5	12.0	20
1990	188.9	215.8	26.9	14
Total	370.3	427.8	57.5	16

All States have complied with the requirement to pass funds through to localities; however, there are some instances in which States actually passed through less than the minimum required amount. There are three reasons for this. First, nine States received waivers from local governments that allowed the States to operate programs for the benefit of the local government. Waivers allowed these States to reduce their pass-through by a total of \$4.5 million below the required

amount. Second, localities in some States have not yet applied for or received funds made available to them. Third, States may have awarded funds for local projects, but the localities did not spend all of the funds, instead returning the funds to the States. Under the last two explanations, the States complied with the law by making the required amount of funds available to local governments based on the VPT.

The ten States that have passed through the largest share of their funds over the required amount are listed in Table 2. Substantial variation exists among States in how much above the required amount has been passed through to localities.

TABLE 2.—10 STATES PASSING THROUGH HIGHEST PROPORTION ABOVE REQUIRED AMOUNT

	Percent
Kentucky	85
South Carolina	78
New Mexico	67
Louisiana	57
Kansas	56
North Carolina	55
Hawaii	49
Mississippi	44
Massachusetts	43
Texas	38

Percent indicates portion in excess of required amount; cumulative, fiscal year 1987 through fiscal year 1990.

ADMINISTRATIVE COSTS

States have used less than the amount allowed by law to pay for the costs of administering the Justice grant program. These costs were limited to 10 percent of each State's grant in 1987, increased to 20 percent for the FY 1988 grants, and reverted to 10 percent for the FY 1989 grant. BJA recommended that States limit administrative costs to 5 percent for the FY 1990 grants. States used a total of 6 percent of their grant awards for administrative costs during FY 1987 through FY 1990 (\$43.6 million out of \$728.6 million), an amount well below the statutory cap. Table 3 shows the amount and percent by year.

TABLE 3.—GRANT AMOUNTS SPENT ON ADMINISTRATIVE COSTS

Year	(Dollar amounts in millions)	
	Amount	Percent of grant
1987	\$11.8	6.8
1988	5.6	10.9
1989	9.1	7.9
1990	16.9	4.4

MULTI-JURISDICTIONAL TASK FORCES

A substantial portion of the Justice grants supports multi-jurisdictional task forces at the State and local level. Drug trafficking organizations are highly sophisticated and diversified in structure and often international in scope. Task forces are essential for bringing together Federal, State and local law enforcement resources to attack drug trafficking organizations. Between FY 1987 and FY 1990, 44 percent of all funds passed through—\$284.1 million out of \$641.3 million—were for such task forces. Table 4 lists the ten States with the highest proportion of their awards for task forces.

TABLE 4.—10 STATES USING HIGHEST PROPORTION OF AWARDS FOR MULTIJURISDICTIONAL TASK FORCES

	Percent
Wyoming	100
Arizona	88
Texas	85
Alaska	81
Alabama	77

TABLE 4.—10 STATES USING HIGHEST PROPORTION OF AWARDS FOR MULTIJURISDICTIONAL TASK FORCES—Continued

	Percent
Montana	77
Vermont	71
Maine	69
Arkansas	68
Wisconsin	67

Percent indicates portion of total award going to task forces; cumulative fiscal year 1987 through fiscal year 1990.

CONCLUSION

FY 1991 is the fifth year of the Justice grant program. During these five years, almost \$1.2 billion in grants has been awarded to States in support of more than 5,600 criminal justice projects. Grant expenditures exceeded \$50 million during the first quarter of 1991, and will continue to grow.

The ONDCP White Paper *Federal Drug Grants to States* predicted that further improvements would occur in the grant-making process. This bulletin demonstrates that awards were indeed made to States faster this year than last year. It also demonstrates the potential for a Federal, State, and local partnership in combatting the drug problem. States have passed through considerably more than the required amount of Justice grant funds to local governments, and have emphasized multi-jurisdictional efforts.

TRIBUTE TO CAPT. MANUEL RIVERA

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. SCHEUER. Mr. Speaker, I rise today to pay tribute to the men and women who so bravely served this great country in the Persian Gulf war, and to pay special tribute to one good soldier who gave his life on the sands of the desert.

Capt. Manuel Rivera, from my district in the Bronx, NY, embodied the excellence, efficiency and spirit of our Armed Forces. As a young man entering Aviation High School in Long Island, Captain Rivera dreamed of earning his wings and flying for his country. He entered the Marine Corps Officers Candidate School and later the Naval Aviation Flight Training School, where his dream became a reality.

In the U.S. Marine Corps VMA 331, Captain Rivera served with distinction as a personnel officer, an intelligence officer, and a logistics officer. At the beginning of Operation Desert Shield, he was called to the Persian Gulf, where he flew on support missions. On January 22, 1991, Captain Rivera was killed on one of these missions.

Our Armed Forces are filled with outstanding officers such as Manuel Rivera. The success of Operation Desert Storm is a testament to this fact. His fighting spirit can be traced through all branches of the military, and through all the wars this Nation has fought. His death was a tragic loss for his family, his friends, and his community, but his life was a celebration of American excellence. I can only offer my respect, my admiration, and my sincere thanks to Captain Rivera and the men and women of the U.S. Armed Forces.

THE CITIES IN SCHOOLS OF FLORIDA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, the Cities in Schools of Florida Anti-Dropout Program is a remarkable success. The CIS Program is the Nation's largest, most comprehensive, private nonprofit organization devoted to keeping at-risk youth in school. It creates partnerships which bring existing public and private resources and services in to the schools where they benefit at-risk youth and their families. The CIS Program promotes awareness of the dropout problem in Florida and helps at-risk teens to stay in school.

There is a serious problem plaguing the schools of Florida: Many students never graduate. The fact is that Florida's dropout rate is among the highest in the Nation: In all, over one-third of Florida's ninth graders never graduate and more than 40,000 young Floridians drop out of school each year. It is obvious that though these facts are restricted to Florida alone, this problem is not. Students all over the nation are not finishing high school and very few people are doing anything about it. A high school dropout, as compared with a graduate, is three times more likely to be arrested, two times more likely to be unemployed, and six times more likely to be an unwed parent. As you can see, this is a serious problem of epidemic proportions which endangers all of our well-being. Luckily, there is a solution: Programs like Cities in Schools can provide the help necessary to make our country more able and productive.

Cities in Schools is a proven catalyst for keeping at-risk students in school. It focuses on the issues underlying the dropout phenomenon—problems that may occur outside of school but affect learning in school. The program brings together private businesses, social service agencies, volunteer organizations, and individuals and connects them with the needs of at-risk students and their families. In a personalized and accountable manner, the program is providing at-risk youth with a supportive, caring environment. The Cities in Schools Program can make a critical difference in the quality of an at-risk student's life.

I would like to commend Cities in Schools for its leadership in the solution to this crucial problem and encourage its continued success. Programs such as these are worthy of much recognition and honor and yet are often overlooked. The CIS Program is growing rapidly on its successful mission to develop public or private partnerships to connect at-risk students and their families with appropriate human resources. School attendance, literacy, drug and alcohol abuse, job training, teen pregnancy, teen suicide, juvenile crime, and other profound issues which lie at the heart of the dropout problem are being addressed. Please join me in honoring and supporting the Cities in Schools Program and its leaders, including William R. Burson, chairman of the board, and Lois L. Gracey, state director in Florida, for their efforts to solve this pressing dilemma.

TRIBUTE TO KATHRYN
KOWALCZYK

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Kathryn Kowalczyk, of Middletown, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Middletown High School, in Middletown, RI.

This award is presented to the student chosen by Middletown High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Kathryn Kowalczyk has certainly met these criteria. She ranks near the top of her class academically with a grade point average of 3.58 and is a member of the National Honor Society. She has also participated on the basketball, volleyball, and tennis teams. In addition, Kathryn has been a member of the model legislature and is the treasurer for her class.

I commend Kathryn Kowalczyk for her outstanding achievements and wish her all the best in her future endeavors.

THE 457 PLAN

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. MATSUI. Mr. Speaker, today I am introducing legislation for the purpose of preserving deposit insurance on retirement funds of employees of State and local governments and nonprofit organizations. The bill I am introducing is entitled "State and Local Government Employee Section 457 Deposit Insurance Preservation Act." It will provide permanent Federal deposit insurance protection of up to \$100,000 per participant for retirement savings of State and local government employees placed in savings associations and banks through section 457 plans. At present there are approximately \$3 billion of such funds deposited in savings associations. Unless Congress acts, the employees who placed these funds in savings associations will lose their Federal deposit insurance on January 29, 1992. Section 457 plans in at least 20 jurisdictions will be adversely affected, including the States of California, Wyoming, Ohio, Oklahoma, Oregon, Virginia, Illinois, Florida, Connecticut, Wisconsin and Hawaii and the cities of New York and Los Angeles.

Mr. Speaker, the House and Senate Banking Committees are conducting an examination of the entire banking system. These committees are reviewing questions such as whether to permit interstate banking to be fully implemented, whether banks should be in the securities brokerage and insurance business and the question of when and even whether a bank should be treated as "too big to fail."

While there are many overarching banking system reforms that need to be considered, I

am introducing legislation which, even though it does not have the global deposit insurance restructuring implications as do the bills introduced by several of my colleagues, is equally important to thousands of Californians, and to hundreds of thousands of public employees throughout the country. My bill seeks to retain deposit insurance on deposits in a government sponsored and authorized retirement savings plan designed exclusively for employees of state and local governments and nonprofit corporations—the 457 plan. As I have already mentioned, without legislation, these plans will become uninsured on January 29, 1992. Accordingly, it is necessary to act quickly notwithstanding the outcome of the debate on the global questions of deposit insurance reform and bank restructuring.

Let me provide some background on how this problem arose and why it is both important and necessary to solve it.

Section 457 was added to the Internal Revenue Code in 1978. It is a salary deferral program for State and local governmental employees and employees of nonprofit corporations. It permits deferral of up to \$7,500 per year per employee, and every State but one utilizes 457 plans. These plans have been valuable in attracting well-qualified employees to State and local government service, and they have become very popular.

Initially, 457 plan funds were invested in insurance annuities or mutual funds. However, in 1982 the Federal Savings and Loan Insurance Corporation [FSLIC] adopted regulations permitting 457 plan funds to be deposited in thrifts and to be insured on a per-participant basis with each participant having up to \$100,000 in coverage. In adopting the regulations, FSLIC published notice and sought comment before adopting the final regulations. FSLIC received over 500 comments, nearly all of which were overwhelmingly in favor of providing deposit insurance.

At approximately the same time, the National Credit Union Administration [NCUA] adopted a final rule amending its regulations to also provide deposit insurance on 457 plans. Thus, in 1982, both the FSLIC and the NCUA adopted final rules permitting Federal deposit insurance on 457 plans. Both agencies equated the interests of 457 plan participants to those of beneficiaries of trustee plans such as IRA accounts or 401(k) accounts, stating, in effect, that although not technically the same, they were not substantially different.

Historically, State pension plans had been created without trustee arrangements and the 457 plan structure follows that practice. The insurance determinations made by FSLIC and NCUA recognized that, notwithstanding the absence of a trustee, the interests of 457 plan participants are very much like those of the beneficiary of a trust. However, instead of a trustee holding funds, the State or local government holds title to the funds. The funds are on deposit in thrifts and credit unions in the name of the employee participant, and each employee has a separate account number and receives a separate statement from the depository institution on his or her account. Additions to the funds are permitted. Withdrawals for emergencies are also permitted but requests are submitted to the plan. In effect, the

457 plan arrangement operates like the trustee 401(k) plan which has been so popular with private sector employees and which is insured up to \$100,000 for each beneficiary. State and local employees are not eligible to participate in 401(k) plans.

The problem that has arisen is that the Federal Deposit Insurance Corporation [FDIC] staff position differs from that of the FSLIC and the NCUA. Relying on an Internal Revenue Code provision which holds that 457 plans, until made available, remain solely the property of the employer, the FDIC concluded that participating employees have no ownership interest in the funds and therefore can not be insured. This position seems peculiar given the broad language in the FDIC Act regarding insurance of accounts and the many ways that coverage has been expanded over the years. Further, the FDIC is well aware that beneficiaries of trusts whose deposits are insured on a per-beneficiary basis are not legal owners. It is also aware that historically, State and local governments have acted in pension plans in a manner nearly identical to that of private trustees of pension plans. The role of the State as de facto trustee is even recognized by the Government Accounting Standards Board which governs the presentation of financial statements of State and local governments. The FDIC, however, has held firmly to its position and Congress must now resolve the inconsistency between the FDIC and the FSLIC and NCUA positions.

Under FIRREA, the FDIC was required to conduct a study of pass-through deposit insurance. After having received 3,750 letters regarding an FDIC proposal to terminate deposit insurance on 457 funds, the FDIC held a public hearing. Of the many witnesses who testified, only the IRS urged the discontinuance of pass-through deposit insurance. Subsequently, the FDIC issued a regulation on May 15, 1990, deferring the 457 question for 18 months. The FDIC rule provides that unless Congress acts or the FDIC changes its position, deposit insurance will expire on all 457 plans held by thrifts on January 29, 1992. A bill addressing this issue was introduced last year, and in August 1990, field hearings were held in Sacramento.

There are several reasons for passing this important legislation. First, we must look at the primary beneficiaries of the 457 retirement plans. They are hard-working men and women in the public sector—teachers, firemen, secretaries, policemen, social workers, and hospital attendants, to name a few. They are not highly compensated, but they are certainly highly valued. These men and women are not eligible for private sector perks, like stock bonus plans and profit-sharing plans. In fact, by law, they cannot even participate in 401(k) plans which are available to millions of private sector employees, nor may they take advantage of IRA accounts. Thus, the only salary deferral program available to State and local government employees is the section 457 plan. Let me add that 457 retirement funds are not afforded certain other protections under Federal law, such as being covered by the Pension Benefit Guaranty Corporation or being safeguarded by ERISA provisions.

Second, deferred compensation plans have been an important employment incentive for

thousands of State and local government employees. State and local government entities believe these plans help attract, and retain, competent employees.

Third, at a time when the administration is seeking to encourage personal savings, withdrawing pass-through insurance sends the wrong message. These employees, whose wages are relatively low, are generally risk-averse. If pass-through insurance is removed, many of these employees are more likely to abstain from any systematic savings for their retirement than to invest in higher-risk options.

I should note that the administration's bill, as I understand it, does not necessarily reject deposit insurance for 457 plans. In fact, my reading suggests that the administration's bill may insure section 457 plans since they are defined contribution plans which are "self-directed." However, the issue is not entirely clear. My legislation will make crystal clear that deposit insurance for 457 plans is mandated by law through the FDIC proposed expiration date and permanently past January 29, 1992.

Mr. Speaker, if my colleagues will join me in passing this important legislation, I think we will accomplish three very important objectives. First, we will not run the risk that hard-working men and women will lose confidence in the Federal deposit insurance system. Second, we will provide a source of long-term stable savings; these deposits are very predictable by nature and are almost always renewed upon maturity. Third, we will have corrected an inequity—namely, that generally higher-paid individuals in the private sector who participate in 401(k) plans are protected by pass-through insurance while those who are generally at lesser-paid levels in the public sector, such as participants in 457 plans, are not afforded such protection.

I urge all my colleagues to join with me in a bipartisan effort to support this important legislation. There are 225,000 State and local government employees participating in 457 plans; let me assure you that they will thank you and applaud your efforts.

ROEMER JOINS THE GOP

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. LIVINGSTON. Mr. Speaker, the Republican Party continues to grow, as increasing numbers of State officials throughout the Nation decide that the Republican Party is the party of opportunity. Over 200 State and local officials have become Republicans since the most recent Presidential election.

Most recently, the Governor of my home State of Louisiana and the former Congressman from the Fourth District, Mr. Buddy Roemer, made the switch.

Mr. Speaker, it is historic for a sitting Governor to switch parties. This has never happened in modern American history. I know that Governor Roemer made his switch only after long and serious thought, as, I am sure, was the case with all the other officials.

His remarks on the day of his switch are, I believe, a telling commentary on the qualification of the two parties to lead America today. I ask to read Governor Roemer's remarks into the RECORD.

STATEMENT OF GOV. BUDDY ROEMER

For some time now, there has been a great deal of speculation and rumor about the possibility that I might change political parties. And with good reason.

Throughout my life and political career, I have tried to remain independent and represent the views of many people. I've never fit conveniently into any political box.

For reasons of practicality, however, I had to serve in the United States Congress and as Governor with a party label next to my name. And that party until today has been the Democratic Party.

But the truth is that as I have tried to serve the people of Louisiana, I have tried to make decisions affecting our future without regard to special interests or particular parties. I've made decisions based on people. And because I've made those decisions independently, I've never been regarded as a partisan politician, and consequently never been particularly embraced by the Democratic Party.

There is much about the Democratic Party in which I believe strongly: equality, fairness, justice. These are fundamental principles about which I will always care deeply and for which I will always work passionately. But the truth is that whichever party has my membership will embrace the principles of equality, justice and fairness. These principles travel with me.

As I've watched the world change around me, I realize we, too, must change to meet the challenge of our world and our times: economic competitiveness, educational excellence, national security supremacy and opportunity for all individuals to be their very best.

Can this challenge be best met by individuals acting in solitude, or is the answer teamwork, mutual interdependence, sharing? The answer is obvious to me.

My vision is that American and Louisiana will meet the challenge of the next century and that the key is teamwork. In political terms, a party is necessary to take the next step—to meet the next challenge.

One person can make a difference, but a party of persons united in purpose and vision can make a lasting difference and can build a state, a nation, a world.

We live in a two-party nation. Such a condition minimizes trivialization around single issues and maximizes the chance of healthy debate and unified action in the face of clear need.

Frankly, I'm not entirely satisfied with the details of either party, but find historic attempts at third party formation to be futile and non-productive.

At my position in life, and with my vision for meeting the challenges of a new world, a choice must be made. Independence, though admirable, is not enough.

My choice is Republican. And the reason is simple. After more than ten years of public service, it has been my observation and increasing conviction that it is the Republican Party that is becoming most open to new ideas, new thinking, new people; most open to team building, to opportunity building.

Not perfect this party. Changes must and will occur. More women, more minorities. Not because they are women and minorities, but because they are valuable, precious human beings with much to contribute.

Not perfect this party, but in prime position to open up from a strong base of shared beliefs of family values, of economic opportunity and of unshakeable national security. It is the Republican Party that has charted a strong economic course for this country and provided an economic model for the world.

The Republican Party is a team with strong, sound economic principles emphasizing individual and collective opportunities—and that's a team I want to be on.

The party must expand if it is to meet America's challenges. But economic competitiveness is the place to begin, because as economic boundaries expand, so does freedom. And America ought to be about freedom.

Finally, as Governor, I will continue to lead and help others build a new and better Louisiana for our children: good schools, good roads, good management, environmental balance, and economic diversity and opportunity.

I have not changed in my fundamentals. I've always attracted support from members of both parties and from independents. This will not change. As a Democrat I appointed Republicans to positions of trust and responsibility. As a Republican, I will appoint Democrats to positions of responsibility and trust.

I'm still looking for the best people: men, women, black, white, Democrat, Republican. We ask the whole Louisiana family to travel with us.

Party is not the most important factor in my life or our state. It is down my list of priorities, trailing character, commitment, ability, integrity. But where it is a factor—in team building, in new ideas, in political action, I will be a Republican—the party of Abraham Lincoln, Theodore Roosevelt, George Bush, the party of opportunity.

I will help others build our party and will encourage growth in terms of people and ideas, but the state and its people will come first—always.

It's time to stop the debate about Buddy Roemer and the party to which I belong. I am a Republican. But most of all, I am a Louisianian and an American.

It's time to start the debate over the future of Louisiana, because that's what really matters. An active, inclusive, caring Republican Party will play a significant, positive role in that debate.

A TRIBUTE TO THE LASALLE SENIOR HIGH SCHOOL BAND

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. LaFALCE. Mr. Speaker, I rise today to pay tribute to the LaSalle High School band, from Niagara Falls, NY. The band members and their parents, band director Patrick M. Kuciewski, the school district, and the entire Niagara community have all made important contributions to an outstanding band.

The LaSalle High School marching band was chosen to be the one band representing New York State in this year's Independence Day Parade in Washington, DC. Indeed, I was especially pleased to have the privilege of nominating a group from western New York. In recent years, only bands near New York City had been awarded this honor.

The LaSalle High School band is a great choice to represent the State. The band has earned a national reputation for excellence, traveling to Washington, DC, as recently as last year when it performed at the John F. Kennedy Center for the Performing Arts.

But the band serves as such a positive example for reasons that go beyond its impressive list of performances and awards. A high-quality marching band like LaSalle High School's thrives on discipline, hard work, perseverance, practice, and enthusiasm.

At a time when many of our children spend more time in front of a television than in a classroom, marching band students devote long hours to their pursuit of excellence. Band members must take years of lessons and classes to learn their instruments, and they spend as many hours practicing their marching routines each day as varsity athletes spend in their sports. And unlike most sports, band is a year-round activity. Marching band members are called upon to perform for a variety of events, including parades, halftime shows, and ceremonies.

The LaSalle High School band represents the positive and significant contributions of the entire Niagara community. Patrick Kuciewski, the band's director, has put together a program that works exceptionally well.

Parents have helped the band by renting or purchasing instruments, encouraging their children to practice, driving them to and from practices, and coming to hear and see them perform. And the entire community has supported the band by patronizing its fundraisers and coming to see performances.

All these contributions will come together when the group marches in synchronization, with its pageantry of steps and notes, during the Fourth of July parade in Washington, DC. I applaud their selection and congratulate them on their achievements.

THE SOCIAL AND LEARNING INSTITUTE FOR THE DISADVANTAGED CELEBRATES 15TH ANNIVERSARY

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. VISCLOSKY. Mr. Speaker, I rise today to pay tribute to one of northwest Indiana's truly outstanding organizations, the Social and Learning Institute for the Disadvantaged. The institute will celebrate its 15th anniversary with a special banquet on May 10.

The Social and Learning Institute, founded in 1976, offers a unique educational experience for physically, mentally, and emotionally challenged adults who are no longer able to attend public school or participate in a vocational sheltered employment program. The institute's dedicated staff and volunteers ensure that the students receive proper training and guidance in numerous areas that include: Academics, social and leisure skills, self-help and motor skills, speech development, prevocational training and personality development, daily living and work adjustment skills,

recreational therapy, music, crafts, and cultural activities.

The institute was founded out of need and the vision of a few very dedicated individuals.

Fifteen years ago, James Guerrucci, and instructor at the Therapy Center in Michigan City, learned that Government funding for the Advanced Activities Program that was designed for the mentally challenged adults would no longer be available for the Therapy Center. Rather than abandoning his students, Mr. Guerrucci, along with R.A. Gardner, Anita Bowser, and five concerned parents, joined together to find a new home to accommodate the students.

Throughout the summer months, Mr. Guerrucci, Ms. Gardner, and Ms. Bowser worked feverishly to secure a permanent location for the students and obtain a State charter for a new institute. Ms. Bowser, in addition to volunteering her time to work with the students, assisted in drafting the institution's constitution and bylaws. Ms. Gardner was instrumental in arranging an agreement with the First Presbyterian Church of Michigan City, whereby the church would donate space for the institution to hold its classes. Mr. Guerrucci spearheaded the summer fundraising events.

It was important to the institute's founders that all of the necessary funding be entirely privately financed. While this goal created an additional burden when seeking funding, it would ensure that the institute would be able to serve clients on the basis of need. To date, the Social and Learning Institute is entirely privately financed. Furthermore, no Government aid has ever been requested or used. The institute operates through a minimal tuition fee, organizational membership, and private donations from service clubs, sororities, and churches.

Fifteen years ago, three dedicated individuals had a truly benevolent vision. It is my privilege to honor not only these founders, but also all of the concerned and special individuals and organizations who have given of their time, energy, and skills to ensure the continued success of the Social and Learning Institute for the Disadvantaged.

DON'T LET LENDERS OFF HOOK IN THEIR SUPERFUND DUTIES

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. RICHARDSON. Mr. Speaker, I rise today to bring to the attention of my colleagues an article which ran in a March issue of Roll Call regarding environmental insurance. The author of this article is David Rosenberg, the executive vice president of Environmental Compliance Services [ECS], a fast growing and successful environmental insurance firm.

Mr. Rosenberg questions the exemption of one industry from the expense and liability established by the Comprehensive Environmental Response Compensation and Liability Act (Superfund) and ponders the con-

sequences such an exemption could have on the purpose and justification for Superfund.

Mr. Speaker, I am a cosponsor, as are many of my colleagues, of legislation exempting lenders from the responsibility of cleaning up someone else's toxic waste and I understand the background for this legislation. However, I also believe that Mr. Rosenberg makes several points that we, Congress, should look at before the reauthorization of Superfund.

I urge my colleagues to read the following article.

DON'T LET LENDERS OFF HOOK IN THEIR SUPERFUND DUTIES

(By David Rosenberg)

Rarely do Capitol Hill observers find a bill that attracts support from dozens of Members, other than National Motherhood Week, that is.

During the last Congress however, Rep. John LaFalce (D-NY) introduced legislation that saw a majority of Members of the House sign on.

That bill, H.R. 4494, sought to protect mortgage lenders, not-for-profits, and even the Small Business Administration from the environmental liability established by the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), a.k.a. Superfund.

Corporate fiduciaries which hold title to property for purposes of administering an estate or trust would have been exempted. LaFalce recently reintroduced the bill (as H.R. 1450) with a few changes and more than 120 co-sponsors.

Superfund was passed in 1980 by a lame-duck Congress in the wake of Love Canal. It authorized the Environmental Protection Agency (EPA) to recover pollution cleanup costs from potentially responsible parties. This includes past or present owners of property. This cost has, as a result of federal court decisions, often been laid at the doorstep of the "deepest pockets," which includes lenders.

Most recently, the Federal Court of Appeals in Atlanta's 11th Circuit held in *US v. Fleet Factors* that if a lender has "the capacity to influence the corporation's treatment of hazardous waste," they can be held liable for cleanup costs under Superfund.

The LaFalce proposal seeks to exempt lenders from this liability. But if they do not pick up the cleanup tab, who will? The remaining segments of American commerce will be stuck with the cost. The very basis of Superfund, cleaning up the nation's most dangerous toxic-waste sites, would be undermined.

One group of advocates for this measure is the American banking community. Much of their lobbying effort has involved local bank presidents calling their Members.

This campaign has resulted in a lengthy list of backers to the LaFalce bill. "The banking industry has gone all out in terms of public relations and lobbying for this legislation," an angry Rep. Frank Pallone (D-NJ) told the House Energy and Commerce subcommittee on transportation and hazardous materials last year, "and I am concerned that many Members of Congress co-sponsored it before environmental and public interest groups had an opportunity to present the other side of the argument—that it could have severe environmental ramifications."

There are inequities in Superfund. But to exempt one segment of the business community to the eventual expense of someone else is wrong.

Perhaps in the reauthorization of Superfund, Congress should closely examine the procedures for determining liability and the many inequities created by several aspects of American business who only have a peripheral involvement in causing contamination.

Virtually every American buys financial protection from costly contingencies in the form of insurance. We buy insurance to demonstrate financial responsibility and protect assets from the catastrophic financial casualties of claims against us.

An environmental insurance policy would pay for cleanup costs of the site the policy was written on. As in all actuarial matters, the chances of claims being paid out and their size must be factored into the cost of the policy.

If lenders would require all commercial mortgage applicants to perform a comprehensive audit and obtain environmental insurance, lenders wouldn't have to seek the redress manifested in the LaFalce bill.

With the Persian Gulf crisis easing and the new Congress hard at work, there will be time for ample reflection on all the ramifications of exempting lenders from liability.

Instead of tinkering with parts of the issues surrounding pollution liability and cleanup, as the LaFalce proposal suggests, Congress should think "big picture."

Members of Congress, we hope, would be more reticent about signing on to a bill like LaFalce's, which addresses but one view of the complicated problems surrounding Superfund. There are signals from Sen. Frank Lautenberg (D-NJ) and Rep. Al Swift (D-Wash), the chairs of the subcommittees with appropriate jurisdictions, that they will be taking fresh looks at pollution liability.

A broad view will more likely achieve more equitable results.

Last Congress, the committee system worked well to prevent a rush to judgment on the LaFalce bill, preventing final passage until all appropriate and interested committees had their say. The result was equitable.

After all, is it fair for the lender to shirk its corporate responsibility and transfer the cost of cleanup to the taxpayer? The same strong scrutiny should be instituted the second time around for this bill.

Instead of being taken off the hook, banks can insist on having borrowers demonstrate the financial responsibility of handling cleanup costs through the purchase of environmental insurance, and if problems became evident down the line, the sites in question would be cleaned up without cost to banks or the federal government.

William E. Batty IV has certainly met these criteria. He is a member of the National Honor Society and has made the honor roll every year. He has also participated on the cross country, indoor track, and outdoor track teams. In addition, William is the vice-president of both the Student Council and his school's Students Against Drunk Driving chapter.

I commend William E. Batty IV for his outstanding achievements and wish him all the best in his future endeavors.

NEW HAMPSHIRE HONORS DON PROVENCHER

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. SWETT. Mr. Speaker, I rise before you today to pay tribute to one of New Hampshire's biggest railroad proponents, Don Provencher of Gorham, NH.

After serving for 21 years as a dispatcher with the New Hampshire State Police at Troop F in Twin Mountain, Provencher retired from that line of work and quickly became well known in the northern part of the State as a strong supporter of the railroad.

Provencher was recently named as a rail travel specialist with Ascutney Travel, Inc., as well as a marketing consultant with the New Hampshire and Vermont Railroad.

In addition, Don is a senior member of the Transportation Committee of the North County Council and a director of the Gorham Historical Society.

While with the New Hampshire State Police, he was instrumental in bringing the National Safety Council's "Operation Lifesaver" to New Hampshire.

Mr. Speaker, my colleague from New Hampshire, Congressman ZELIFF, and I will honor Provencher for his dedication to rail travel at a conference we are jointly hosting on Monday, May 13, called "Congressional Conference on Railroads: Rail Service in New Hampshire—Problems and Opportunities."

Mr. Speaker, I ask my colleagues to join me in saluting Don Provencher for all his outstanding work over the years in support of New Hampshire's rail system.

RAYMOND LOUNSBURY TO MARK 50 YEARS AS VOLUNTEER FIREMAN

HON. GERALD B. H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. SOLOMON. Mr. Speaker, as I've said many times before on this floor, one of the ways you can measure people is their contribution to their communities, their willingness to help their neighbors in a number of ways.

Today I'd like to single out one such person, who has given 50 years of service to his community in a way especially dear to my heart.

On June 4, 1991, Raymond Lounsbury of Waterford, NY, will celebrate his 50th year of

service with the Knickerbocker Steamer Co., one of the Nation's oldest volunteer fire companies.

Mr. Speaker, I was a volunteer fireman for more than 20 years in my hometown of Queensbury. I know the sacrifices volunteer firemen make, the dangers they face, and the countless lives and billions of dollars in property they save in rural communities across the country.

We can only imagine, Mr. Speaker, the number of calls Ray Lounsbury has answered in 50 years and the risks he has undertaken for his neighbors.

Such a spirit is what America is all about. It is the spirit of volunteering to help others that Ronald Reagan did so much to revise, and which Ray Lounsbury exemplifies.

He is still active in the company, and we hope he will continue to be active for many years to come.

Mr. Speaker, I ask you and everyone in this body to join me in saluting Ray Lounsbury of Waterford, NY, veteran firefighter, friend, and great American.

ALVIN I. SCHIFF

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. SCHEUER. Mr. Speaker, my community is about to share a bittersweet experience for one of its stellar citizens.

On Wednesday, May 22, 1991, the Board of Jewish Education of Greater New York will celebrate its 80th anniversary by honoring Dr. Alvin I. Schiff—certainly a sweet cause for celebration. The bitter part enters with the announcement of Dr. Schiff's pending retirement in August of this year.

For more than two decades, Dr. Schiff has served as chief executive officer of the Board of Jewish Education, the world's largest agency for Jewish education. His inspired leadership has personally touched the lives of countless children, parents, teachers, administrators, and other citizens in my community.

In his illustrious career in service to others, Dr. Schiff has authored more than 120 books and articles, and received community awards far too numerous to mention here.

Dr. Schiff and his substantial talents will be sorely missed, not only by Jewish educators and students, but by the entire community he serves. Although he will be missed, the gifts he leaves us with will be treasured forever.

ROSA OCHOA, DADE SUPER TEACHER

HON. ILEANA ROSLEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, every school district has those teachers who stand out. They stand out because their devotion to students speaks for itself. Ms. Rosa Ochoa is one of those educators. She presently devotes

TRIBUTE TO WILLIAM E. BATTY IV

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate William E. Batty IV, of Providence, RI, this year's recipient of the "Congressman Ronald K. Machtley Academic and Leadership Excellence Award" for St. Raphael Academy, in Pawtucket, RI.

This award is presented to the student chosen by St. Raphael Academy who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

herself to the Treasure Island Elementary School in North Bay Village as third grade teacher and department head for grades two and three. The Miami Herald recently recognized her as one of Dade County's super teachers in an April 14 article. That article follows:

Rosa Ochoa hadn't planned to become a teacher.

But at the urging of her high school principal, Ochoa chose education over medicine after graduating from high school 18 years ago. And she hasn't deviated since.

Now finishing her third year at Treasure Island Elementary School, Ochoa draws praise from students and colleagues for her consistent and high expectations and her commitment to give "a little bit more" to her classes.

Students say Ochoa's style is effective in helping them learn.

"She really likes teaching us. She makes the lessons fun, instead of doing it the hard way," said third-grader Michael Shelton, 9. "She tries to help."

Classmate Lisa Schuurmans said even math—her least favorite subject—is fun when taught by Ochoa. She was looking forward to plans to bring in a cow brain for study in science class.

"She's very fun to work with," Lisa said. "She has a special touch."

An organized classroom provides a framework for students to learn and achieve, Ochoa said.

"They know what I expect from them," said Ochoa, 37. "They know when it's time to work, when it's time to play, when it's time to have fun."

School principal Beverly Karrenbauer said Ochoa's emphasis on consistency is good for her students.

"It provides a framework in which kids can work," Karrenbauer said. "They're comfortable and achieve at a much greater rate."

She added: "She has an in-depth understanding of kids and how they learn."

Ochoa's leadership—as department head for the second and third grades—and her teaching inspire other faculty members, Karrenbauer said.

Susan Conviser, who worked under Ochoa as a student teacher, returned to teach full-time at Treasure Island this school year.

"When she comes here, she's on 100 percent," said Conviser, 25. "The kids like to be disciplined. A lot of kids don't get that at home. She works them hard, but in the long run, they benefit."

Ochoa, who knew no English when she came from Cuba to South Florida as an elementary school student, said she plans to brush up on Creole to better help the growing number of Haitian students coming to the school. She said she is also working on master's degrees in elementary education and in school administration.

I am proud to have Ms. Ochoa as an elementary school teacher in the 18th Congressional District of Florida. I have confidence that many teachers like her continue to believe that children are our future and that they are worth devoting our lives to. I commend the leadership of Principal Dr. Beverly Karrenbauer, Assistant Principal Willa T. Nelson and PTA. President Randi Kalimi for making Treasure Island Elementary School a place where teachers like Rosa Ochoa and their students can thrive.

EXTENSIONS OF REMARKS

PRESIDENT BUSH SHOULD AGREE TO SOVIET REQUESTS FOR AID

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. GEPHARDT. Mr. Speaker, since the Berlin Wall began to tumble down in 1989, we have been talking about the end of the cold war and our victory over communism. For sure, we have made progress toward a more peaceful world but, in life, there are often no final victories. The Soviet Union is still involved in a restless transition and, without continuing engagement by the free world, the final outcome of perestroika, glasnost, and the movement toward reform remain in doubt.

I have thought for some time that the United States needed to act affirmatively to win the peace we sought for 45 years fighting the cold war. In March 1990, I called upon the Bush administration to use food and other forms of aid to the Soviet Union as leverage to move that nation toward reform. In an address, I said:

(T)hat support of the process of democratization in the U.S.S.R. is in America's self-interest. We have a stake in the success of peaceful change towards a pluralist system in that nation. A stronger Soviet economy will facilitate the process of peace. How can the Soviets pull Red Army troops out of Eastern Europe if they have no jobs and no homes for them to return to in Russia?

So America must think creatively and act boldly. Rather than pouring more and more money into weapons systems, we should be investing in our own self-interest. And stability, democracy and a market economy in the Soviet Union are in America's strong self-interest.

On this point I must say that President Bush has been right—as far as he's gone. He has lent important political and moral support to the process of reform in the Soviet Union. I'd like to enlist American farmers and business people to make more substantive investments as well. Anyone who has seen the lines outside the McDonald's in Moscow knows the Soviets would appreciate American food and American goods. And American farmers and workers would appreciate the markets. We should waive trade restrictions such as Jackson-Vanik and the Stevenson Amendment, relax restrictions on high-tech exports, and encourage private investment in the Soviet Union. We provide Export-Import Bank loans and OPIC assistance to China, why not to the Soviet Union?

While the President has begun to move in this direction, he now has the opportunity to move energetically. He hesitated before, but now the Soviet Union has requested that the United States Government guarantee \$1.5 billion in commercial bank loans for Soviet purchases of American grain. President Bush has thus far not made a decision to approve those credit guarantees. I call upon him to do so as soon as possible.

While we cannot determine the outcomes of political change in the Soviet Union, we must not deny ourselves the opportunity to use what leverage we have. This kind of humanitarian gesture by the United States will not only help bind the interests of the United States more closely to the Soviet people, but

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may also provide more patience and time for the reforms to take hold. In this way, we can aid reform, promote democracy and free enterprise, and open new markets for the hard-pressed farmers of the United States of America. Some would call this "win-win-win," but no matter what it's called, this policy needs to be adopted by President Bush promptly.

EXPAND BENEFITS FOR WOMEN AND CHILDREN WITH AIDS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. MATSUI. Mr. Speaker, today I am introducing the Social Security and SSI AIDS Disability Act. This legislation would remove some of the obstacles that limit the ability of women, children, and intravenous drug users who are HIV infected or who have AIDS to obtain necessary benefits and medical services.

Women and children are the fastest growing group of individuals infected with HIV. They now represent 12 percent of all AIDS cases identified. While this figure may seem low, it is important to note that it represents only identified AIDS cases, and not individuals who test positive for the HIV virus. During 1990, there was a 40-percent increase in pediatric AIDS cases. The number of women infected with HIV rose by 45 percent during the same year. Even more staggering, the numbers of AIDS cases among teens doubles every 14 months. Given this tremendous growth, it is imperative that the eligibility requirements for disability and other social services benefits are appropriate to the medical conditions that occur in women and children.

However, there is a problem with the current method of obtaining disability and medical benefits for these groups of individuals. In order for an individual to be declared disabled and eligible for either Social Security disability insurance or supplemental security income benefits and, therefore, Medicare or Medicaid health benefits, that person must have a severe, long-lasting physical or mental impairment. The Social Security Administration has determined that people with AIDS meet these requirements. However, under the current definition, people without a diagnosis of AIDS, but who are ill with HIV infection, are considered HIV symptomatic and must go through a strict-er eligibility process.

Women, children, and intravenous drug users with HIV-infection have a very difficult time becoming eligible for Social Security disability and SSI benefits because of the way in which the Social Security Administration defines disability for people who are HIV infected or have AIDS.

Because gay men were the first population observed to develop AIDS, the Centers for Disease Control definition of AIDS is based primarily upon the symptoms and opportunistic infections found in men during the early years of the epidemic. That list has not been significantly modified since 1987. Recent studies, however, indicate that 35 to 40 percent of people who have HIV-related disease and are treated in a hospital inpatient setting do not fit

the CDC definition. Because the Social Security Administration relies on the CDC definitions of AIDS, severely disabled women, children, and intravenous drug users are denied benefits because their medical conditions are different.

I am introducing the Social Security and SSI AIDS Disability Act of 1991 today to reverse this omission. This legislation would require the Social Security Administration to establish a panel of medical researchers, practitioners, and advocates who have experience an ongoing involvement in the study of the patterns and manifestations of HIV infection in these populations to examine and determine what medical conditions, when coupled with HIV infection lead to an individual's disability. This bill also would require the Social Security Administration to put into place an interim standard for adjudicating claims of disability for women, children, and intravenous drug users. This standard would include a number of medical conditions that are specific to these groups.

As the number of women and children with HIV infection grows, it is critical that we adjust both our medical research and the distribution of benefits to take into account differences in how HIV infection manifests and effects these individuals. The Social Security SSI AIDS Disability Act of 1991 will take us toward ensuring the women, children, and intravenous drug users receive the benefits they deserve and need.

ONE CONSTITUENT'S SPECIAL
LOOK AT THE PERSIAN GULF WAR

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. COUGHLIN. Mr. Speaker, it is my pleasure to bring to the attention of my House colleagues today the work of a constituent of mine from Philadelphia, Ms. Marilyn Krantz.

Ms. Krantz, an award-winning poet and former newspaper editor, has recently composed two poems that have as their subject the war in the Persian Gulf. The first, "The Bombing of Israel," offers a poignant look at the people of Israel, who suffered devastation and deprivation despite the fact that their nation took no offensive action against Iraq during the war.

The second, "Flags and Yellow Ribbons," is a stirring tribute to the men and women of the United States Armed Forces who participated in the liberation of Kuwait and to the family members who supported them.

Mr. Speaker, I commend Ms. Krantz' work to my colleagues' attention.

THE BOMBING OF ISRAEL
(By Marilyn Krantz)

When first the bombs fell
It was hard to believe
It was happening this time . . .
The bombing of Israel.
This time: Iraqi Scuds,
Missiles aimed at innocent
Men, women and children
In these attacks unprovoked
By the State of Israel,
Her people now falling victim

To an attempt by Iraq
To distract the world
From the real issues
That had brought on Desert Storm.

And Israel's first instinct
To retaliate against this
Unjustified brutal attack
Had to be suppressed
With the greatest restraint,
To comply with the urgent
Request of the United States
That Israel resist and refrain
From any acts of retaliation,
In order to cooperate
With U.S. goals and plans
In attempting to thwart
Iraq's evil intentions
And to put an end
To Saddam Hussein's
Reign of force and terror.

Who are these people,
These victims of the senseless
Bombing of Israel?
They are survivors of
The Holocaust:
Ghettos and concentration camps,
Who had come here to claim
The Jewish homeland and haven.
They are Soviet Jewish immigrants,
Many recently arrived,
Trying to adjust
To their new surroundings
And new taste of freedom.

They are people from all over
Who have settled in Israel,
Some who came to live out
Their twilight years
In the "land of milk and honey."
They are Sabras: born and raised
In the Jewish state
Where history and heritage
Are mingled with daily living.
And, among them all, children—
Wide-eyed and wondering—
Who, clutching their gas masks,
Were asking, "Why?"
How does one explain!

Once again Israel has shown
Courage and fortitude
In a time of crisis.
And in this case, suffering
Pain and anguish to her people
And enormous damage to the land
Because of it.
With Iraq's bombing of Israel,
Does the world indeed see
This example of her plight,
The suffering she must endure
At the hands of evil forces,
A pawn in man's
Inhumanity to man?
World, what do you have to say
To Israel, in the light
Of recent events?
What will you do to assist
This nation and its people
Seeking a just and lasting peace?
Think about it!

FLAGS AND YELLOW RIBBONS
(By Marilyn Krantz)

Flags and yellow ribbons
Are the fashion of the day;
Traveling through cities and towns
One will find them along the way
Pinned to clothing, mounted on lawns
And doors of homes humble or grand,
Displayed from storefronts or steeples
Clear across the land . . .
Flags and yellow ribbons
Proclaiming loud and clear
To U.S. troops in Desert Storm;
"We hold you and our country dear!"

For democracy and freedom
And justice are ways of life
That once again our country's finest
Must uphold in danger and strife.
"America will stand by her friends,"
President George Bush proclaimed
As our patriots braved the desert clime
And bombs that the enemy aimed.
We salute the men and women
Who have bravely gone to war
To combat Iraq's evil forces,
And make the world safer than before.
Parents pray for sons and daughters;
For dads and moms the children yearn;
Brothers, sisters, friends and others
Hope for peace and their safe return.
Picture the many tearful faces,
Missing their loved ones gone away,
And the soldier in the Persian Gulf
Re-reading his mail to brighten the day,
And the one clutching her family's photo
To ease the loneliness she must endure
'Til it's time for the journey home—
When that will be, one can't be sure.
Now, Kuwait's been liberated!
There's singing, dancing in the streets
As the victimized Kuwaiti people
Venture out from their retreats;
After seven months of anguish,
From their captors they are freed . . .
Freed from torture and oppression
Wrought by Iraqi force and greed.
We salute our U.S. forces
And our allies who assisted
In this mighty, gallant battle
Where wicked aggression was resisted.
Behold flags and yellow ribbons
Floating in the morning breeze
Or shimmering in the moonlight's glow,
Perched on windows, doors and trees . . .
Symbols that bare our hearts and minds
For all the world to know . . .
Pride in this land of liberty
And in our heroes who keep it so!

VA REACHES OUT TO NEEDY
INDIANS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. RICHARDSON. Mr. Speaker, we are all aware of the many veterans this country has and we are proud of their patriotic service. However, native American veterans living on reservations are often forgotten because of the rural and isolated nature of most reservations. Access to veterans health care and other benefits are limited on reservations. Additionally, many native Americans are unaware of their eligibility for these services and do not know how to go about receiving these benefits.

The following article depicts the hard work and often overwhelming challenge some Veterans' Administration staffers go through to educate and assist native American veterans. The Outreach Program currently being practiced in Gallup, NM, has provided literally hundreds of Indian veterans with the benefits and health care they deserve. I am very proud of these individuals and encourage my colleagues to take a moment and read the following heartfelt articles on these special people:

VA REACHES OUT TO NEEDEY INDIANS—
COUNSELORS HELP UNSNARL RED TAPE

(By Patrice Locke)

Johnson Banketewa left Zuni Pueblo 35 years ago to serve in the 25th Infantry Division in the U.S. Army in Korea. He has military photos and an infantry badge to prove it. Now he's disabled by diabetes and high blood pressure. But he doesn't have his discharge papers and couldn't get veterans' benefits.

Joseph Henchilay, 63, a veteran of World War II and the Korean War, has had a stroke and still suffers from eye problems. He had no employment records to qualify for Social Security.

"I was trying to get benefits, but I never could," Henchilay said. Until Ruben Herrera, a Veterans Administration outreach supervisor, joined the fight.

Henchilay now gets \$778 in veterans benefits each month, and used a \$9,920 back payment check in 1989 to buy a new Pontiac Grand Am.

In traditional Indian pueblo homes, in jail cells, grocery stores, or on street corners, Veterans Outreach counselors are looking for people in need of help.

And when they find veterans, outreach workers begin leading them through the labyrinth of paperwork that paves the way to the benefits and services they are due.

Banketewa heard other veterans talking about Herrera. "I asked at the (Indian Health Service) hospital," he said. Herrera soon knocked on Banketewa's door and began an attack in the paper battle the federal government was waging with Banketewa. It took two years of letter writing and form shuffling, but Herrera, who said he never gives up, kept at it until Banketewa received a back benefit check for \$8,229 last July.

That first check went toward the purchase of a new blue Ford truck. And he now uses a benefit check of \$879 a month to help support his wife and school-age daughter.

Patrick J. Arthur, 30, was in need of a different kind of help. He served in a U.S. Army armored unit in Germany 13 years ago, after growing up on the Navajo reservation. He left the Army in 1982 and settled with his wife and four children in the Vanderwagen area, about 20 miles south of Gallup.

Last year, when Arthur was in jail because of a domestic violence complaint, Richard Diaz, a veterans addiction therapist, visited him.

"I wasn't really interested in getting help them," Arthur said. But months later, distraught by the suicide of a relative, and tangled in legal problems, Arthur decided that alcohol abuse was ruining his life.

"I was really depressed. I thought I was going to have a nervous breakdown. I stayed in the house and drank for a week," he said. Then he called the number on Diaz's business card and entered a 21-day in-patient treatment program at the VA medical center in Albuquerque.

Arthur completed the program several months ago. Since then, he's been working as a security guard and attending Alcoholics Anonymous meetings in Gallup. He also helped organize a self-help group for more than 35 others in his home community.

Without the Veteran Outreach program, Banketewa, Arthur, Henchilay and hundreds of other Zuni, Navajo and Hopi veterans, might have continued to fall through bureaucratic cracks, missing out on benefits either because they didn't know about them or because they couldn't manage to wade

through the lengthy paper trail to secure them.

"I think the uniqueness of this program is that we're going out into the community where the veteran lives, to the reservation, to protective custody, to say that we have something to offer him," said Bob Young, chief of substance abuse treatment programs for the VA medical center in Albuquerque. "In the reaching out, we're letting them know that they are entitled to the care, particularly as veterans. They have paid their dues to society and we would like to give them something in return."

A study showed that 97 percent of all veterans live within 100 miles of a VA medical facility. But in New Mexico and Arizona, with widely separated rural populations, many veterans, especially Indians, are not within easy reach of medical care, or regional benefit offices.

"If we sat in our offices and waited for veterans to come to us, we wouldn't be doing anything but talking to one another," Young said.

"It's interesting for a federal agency to be doing this," Herrera said. "People are used to federal employees wearing suits and sitting in offices, where you have to go to them."

Herrera doesn't wear a suit. And he doesn't spend much time behind his desk in Gallup. Twice a month, he visits Hopi, where there are about 1,000 veterans. On alternate Wednesdays he goes to Zuni Pueblo, where there are about 500 veterans. He manages about 15 visits a day on those trips, finding veterans through tribal offices, senior citizens centers, IHS referrals, and word of mouth.

Herrera met World War II veteran Dick Lonjose, 71, through Lonjose's wife at her Zuni senior citizen's center job. He eventually secured a \$2,000 back benefit payment to Lonjose that went toward installation of the family's first indoor bathroom.

Herrera takes his job seriously, and said he tries to make friends with his clients, persuading them to show him any government papers they receive so that he can help decode and submit them.

Benefits for veterans can include everything from medical care, tax exemptions, home loans and living expenses to job training and tuition money.

In Zuni, many of the veterans have newspaper copies of American flags taped to their windows and proudly display their military service pictures inside their homes.

"They are proud, they were the warriors," Herrera said.

But addiction therapist Archie Cordova, who works on the alcohol unit of the outreach program, said his clients are less likely to be proud to say they are veterans. He and Diaz make daily trips to the Gallup jail. They visit inmates and the people in the drunk tank.

"We're being visible to them," Cordova said of the veterans in jail. "Slowly, but surely, they are coming in to see us and get help."

Between August and December last year, outreach workers approached 1,725 people in protective custody, said Elizabeth Eutsler, program coordinator. Of that, 125 said they were veterans, 18 were assessed for treatment programs, seven completed a 21-day in-patient program and 21 others came in for out-patient help.

"Our numbers may seem a little small, but I guess it's 100 percent better than anybody else has done," she said.

On a recent morning, only one man of the 85 in the protective custody cell said he was

a veteran. "Oh, come on," Cordova said. "I know there's more of you. There's help for you, man, if you need it."

The men inside seemed happy to talk to Cordova and Diaz, joking about getting help, but nobody seemed seriously interested.

"You're going to get sick with the environment (in Gallup) again," Diaz told them. "There's no jobs here, you know that. Go home."

In response to Navajo demands for increased services, the area's first Indian veterans outreach program began in 1976, under the direction of the VA in Prescott, Ariz. The VA funded eight positions and the U.S. Indian Health Service provided office space.

The program was expanded and transferred to the Albuquerque VA region in 1986. The Gallup office now has a staff of nine people in two divisions, with representatives at six area IHS hospitals. The outreach unit offers general assistance in Gallup, Hopi, Zuni and several Navajo reservation offices. The alcohol unit provides assessments, referrals and aftercare services.

Gallup's 1989 march to Santa Fe for alcohol programs and legislation spurred Rep. Bill Richardson, D-N.M., to secure a \$1 million appropriation for expanded veterans services in the Gallup area. Some of that will go toward development of a halfway house for recovering alcoholics.

In 1986, Congress ordered the Veterans Administration to study what was being done for Indian veterans. In May 1987, an Albuquerque area veterans report noted: "The rural location of the population coupled with eligibility for Indian Health Services resulted in an out-of-sight, out-of-mind phenomenon."

But Albuquerque VA chief of social work service Bruce Moberley, who served on the national Indian Advisory Committee, said cooperation is now good between the IHS and the VA. He said the two agencies coordinate services and make referrals to each other.

Fernando Martinez, supervisor of social work services for the VA medical center in Albuquerque, said nearly 400 veterans have been referred from the Gallup VA office to Albuquerque for alcohol treatment since 1986.

"Before 1986, you would seldom see a Native American in the (Albuquerque VA) alcohol program," said Moberley. Now, he said, 40 to 50 percent of the clients in the unit are Indian.

SUITLESS BUREAUCRATS

An impressive measure of the national commitment: Enough Veterans Administration medical facilities have been built so that 97 percent of veterans live within 100 miles of one.

It makes going after benefits sound as easy as walking into a convenience store after tooling down the interstate for no more than two hours.

But for some of the more remote 3 percent, vast distances and miles of bad road are only the first obstacles to getting the help they are entitled to and need. For the veterans in Indian country, there is also a vast cultural gulf between them and the paper mazes of bureaucracy.

Just as impressive a measure of commitment as bricks and mortar is the VA's efforts to bridge the geographical and cultural distances to serve veterans across the expanse of the Navajo Nation, at Hopi villages and the Zuni pueblo.

It requires more than opening an office, sitting behind a desk and processing claims. Veterans Outreach counselors hunt down

veterans, help them dig up and decipher old government documents. Then they rattle the inscrutable system—for years if necessary—until they shake out the benefits to which the Indian clients are entitled.

Big checks for back payments on benefits can ease the harshness of reservation life, but a more crucial benefit may be life-redeeming treatment for alcoholism or other addictions. The VA's suitless bureaucrats comb reservation bordertown jails looking for eligible vets. Between August and December last year, such efforts turned up 125 veterans in need of help. Of those, 21 received out-patient treatment and seven completed a three-week in-patient program.

As the program coordinator observed, "Our number may seem a little small, but I guess it's 100 percent better than anybody else has done."

So too, the numbers of veterans served by the Outreach Program may seem small in comparison to the armies of veterans who live within marching distance of VA centers. The Veterans Administration has shown that, however few, the veterans in Indian country really count.

A CONGRESSIONAL SALUTE TO
DETECTIVE JERRY ANSLOW

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to detective Jerry Anslow. Detective Anslow will retire after 26 years of service with the Los Angeles Police Department. This occasion gives me the opportunity to express my deepest appreciation for his years of service to both the department and the community.

Jerry was born in Davison, MI, on June 26, 1939. He graduated from Bentley High School in 1958, and was a proud member of the U.S. Marine Corps until 1962. Immediately following his military service, Jerry began his career in law enforcement with the sheriff's department in Genesee County, MI. He served in Michigan for a year, before moving to Los Angeles and becoming a member of the LAPD in 1963. After returning to the Genesee County Sheriff's Department for a 2-year stint from 1968 to 1969, Jerry returned to the LAPD. Since his return in 1970, Jerry has done an outstanding job of protecting and serving the people of Los Angeles.

From 1970-73, Jerry was the senior lead officer of the LAPD's harbor division. In November 1973 he became a detective. As a D-I he served in the 77th, southwest and southeast divisions. In 1974, while serving as a homicide detective in the southwest division, Jerry achieved D-II status. His progress continued in 1976 when he was elevated to D-III. As a D-III, Jerry has served in the southwest and harbor divisions.

My wife, Lee, joins me in extending our thanks for Jerry Anslow's contributions to the community. In a city where crime is a major concern of all of its citizens, the LAPD's peacekeeping role is vital. Replacing a man of detective Anslow's stature and experience will make the LAPD's task that much more difficult. The LAPD is losing an extremely valu-

able member. He is a truly remarkable individual who has devoted his talents and energies to protecting the rights of so many others. We wish Jerry, his wife Donna, and their children, Robert, Alecia, Teri Lynn, and Tammy Sue, all the best in the years to come.

REVEREND FATHER GEORGE E.
KALPAXIS HONORED UPON HIS
RETIREMENT

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mrs. BENTLEY. Mr. Speaker, I rise today to ask my colleagues in the U.S. Congress to join me in honoring the Reverend Father George E. Kalpaxis, who will be honored at a retirement dinner this evening, Thursday, May 9, 1991. For the past 20 years Father Kalpaxis has served as the beloved pastor of the St. Nicholas Greek Orthodox Church in Baltimore, MD.

Father Kalpaxis was a member of the first graduating class of the Holy Cross Greek Orthodox Theological School in June 1942. Following his ordination to the priesthood in August of that year he served parishes in New Hampshire, Delaware, Texas, and New Jersey before coming to Baltimore.

Upon the 25th anniversary of this graduation from the seminary in 1967, Father Kalpaxis was bestowed the highest honor accorded to a married priest, the title of protopresbyter.

On November 15, 1971, Father Kalpaxis was assigned to the community of St. Nicholas in Baltimore. Under his leadership the community has prospered, undertaking numerous avenues of serving the community. During his pastorship, Father Kalpaxis has given faithful and dedicated service to his flock, and has endeared himself to his parish by his devotion, humility, concern, and love for his people.

At his side for many of these years was Father Kalpaxis' beloved wife, Presbyteria Athena, who fell asleep in the Lord in 1984. In her honor and memory Father Kalpaxis established a scholarship fund to help the young people of the parish succeed in their education.

Although Father Kalpaxis is retiring as pastor of St. Nicholas Church, ordination is an indelible stamp which forever marks a man as God's priest. Father Kalpaxis will remain in Baltimore and assist the surrounding parish priests and especially his beloved community of St. Nicholas.

Mr. Speaker, it is an honor and a pleasure for me to join in honoring Father Kalpaxis and it is my further pleasure to ask my colleagues in the Congress to join me in honoring a devoted man of God. I wish him many years of health and happiness to enjoy his well-deserved retirement.

TRIBUTE TO THE ADOPT-A-SCHOOL
PROGRAM OF NASHUA, NH

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. SWETT. Mr. Speaker, I rise before you today to congratulate Birch Hill School and Brookside Hospital in the great city of Nashua, NH, on the formation of their Educational Partnership. The Adopt-A-School Program in Nashua is a wonderful example of business and industry, the schools and the community working together.

Mr. Speaker, as a father of five, I look forward to the future accomplishments of this unique partnership such as this one. I am happy to support a program in which the business community joins the educational community to support our most precious resource—the children of today who will be the leaders of tomorrow.

The Granite State is fortunate to see the partnership being formed between Brookside Hospital and Birch Hill School. The opportunities for mutual growth and development are endless. These children have a bright future ahead.

Mr. Speaker, I ask my colleagues to join me in honoring Birch Hill School and Brookside Hospital in this joint venture.

TRIBUTE TO PHENG LEE

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Pheng Lee, of Providence, RI, this year's recipient of the "Congressman Ronald K. Machtley Academic and Leadership Excellence Award" for Hope High School, in Providence, RI.

This award is presented to the student chosen by Hope High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Pheng Lee has certainly met these criteria. Learning English as a second language, he ranks first in his graduating class. He has also been nominated to the National Honor Society and has been accepted at Rhode Island College. In addition, Pheng Lee is a member of Upward Bound and the International Club, which promotes harmony and tolerance among all ethnic groups.

I commend Pheng Lee for his outstanding achievements and wish him all the best in his future endeavors.

**EVELYN PAUL TO RETIRE AFTER
12 YEARS AS TAX COLLECTOR**

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. SOLOMON. Mr. Speaker, today I'd like to tell you about a rather remarkable lady, who, without a great deal of fame or fanfare, has earned the love and respect of everyone who knows her.

Mrs. Evelyn Paul is retiring this year after 12 years as tax collector for the town of North Baltimore, NY. She was always known for having open hours, and for her willingness to help anyone with advise.

But that only begins to give us a picture of her contribution to her community.

She teaches Sunday school at New Baltimore Reformed Church and has been the organist there for 40 years. She also has served as deacon and elder on the consistory. Children at the church would look forward to their birthdays, knowing they were sure to be treated to Evelyn Paul's homemade cakes.

Whenever there has been someone in need, Mrs. Paul has been there to help. It could be a trip to a doctor's office, grocery shopping for a shut-in, or visiting the sick or elderly. Mrs. Paul has been a true friend and true Good Samaritan.

Francis and Evelyn Paul moved to New Baltimore with their two sons in the early forties. It was one of the best things that ever happened to the town, because in her quiet, productive way she has made it a better place to live.

Please join me in paying our tribute to Mrs. Evelyn Paul of New Baltimore, NY, a great lady and a great American.

ABOUT NICARAGUA

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. LIVINGSTON. Mr. Speaker, the following is a letter to the editor of the Times Picayune from a constituent of mine, Danilo Saborio. He is a former resident of Nicaragua and his insights into the situation there are quite interesting, especially in light of President Violeta Chamorro's recent visit:

TO THE EDITOR: Nicaragua's President Violeta B. Chamorro is traveling to Washington in search of Economic aid in order to reactivate the ill economy inherited by the Sandinistas' loot of that country's economical resources. An article published in your well respected newspaper dated April 12, 1991, by Mrs. Chamorro's son-in-law and her Minister of the Presidency Mr. Antonio Lacayo in which he expresses dissatisfaction with the Nicaraguan government's negative reputation among members of the Congress such as Senator Jesse Helms. Mr. Lacayo's article is misleading and unfair to those well informed members of Congress. Senator Helms might have never visited Nicaragua, but I have traveled to that nation six times during the last 12 months and to my surprise Mr. Helms' description of the situation in

Nicaragua is very much like what I have perceived to be happening in that country. The Nicaraguan Legal system (Supreme Court and Judges), The National Police (Rene Vivas) and the Army (Humberto Ortega) are under the Sandinistas' control, making it difficult to have a real legal process, and to enforce the decision of the courts since the police will not enforce any legal mandate against a comrade.

The claim that dozens of agricultural growers have returned to invest in Nicaragua is an insult to any intelligent person, since thousands of illegally confiscated agricultural growers and cattle ranchers (41 percent of the labor work force for this sector) are being unable to recover their properties as of today due to that fact that they were given to Sandinista officials, who under the new government, are untouchable by the legal system, the police or the army. Business people are experiencing almost identical difficulties making the economy reactivation very hard to achieve. Who will open a bank in a country where only the Sandinistas have the right to private property?

Mr. Lacayo pictures Nicaragua as a stable and peaceful country, but my experience tells me another story. In July 1990, the Sandinistas under the protection of the police and with the help of government employees using official vehicles paralyzed the nation with violent rallies. Buses were vandalized, radio stations burned and the streets were barricaded in order to inhibit the circulation of any car; to worsen the case just a month ago, Mr. Lacayo personally removed customs personnel from their offices since they were on strike impeding the functioning of that institution. Even more the recent murder case of the Contra leader Enrique Bermudez and Genie's case in which a young student from the American High School in Managua was assassinated by the Ortegas's body guards, both cases are still unsolved and mysterious only to the government since everybody else knows the perpetrators. Nepotism or neo-communism are not the road to democracy, on the contrary, they will only destroy any hope for peace in that suffered country since the benefit of the few and the sacrifice of the many is contrary to democracy. Any economical aid to Nicaragua must be conditioned to democratic reforms by the Chamorro's government. Unconditional aid will only benefit the well established businesses in that country, owned exclusively by Sandinistas (2,000 companies are owned by the Sandinistas Party) who are in great necessity of hard currency.

**PRESERVE OVERSEAS MILITARY
BANKING SERVICES FOR OUR
TROOPS**

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. VISCLOSKY. Mr. Speaker, today I have introduced the Military Banking Services Act. My bill will ensure that our troops continue to have access to banking services at their overseas bases.

For overseas military personnel, a prerequisite to good morale is the knowledge that they will be paid on time, that their families back home are financially secure and that the personnel have access to a minimum level of banking services at affordable rates. Since

1947, the U.S. Government has hired contractors to operate military banking facilities [MBF's] around the world for its overseas troops, civilian employees, and their dependents.

Over 88 percent of the Department of Defense [DOD] personnel overseas, as well as finance officers and other institutions on base, rely on MBF's for their checking, currency conversion and other banking needs. Today, three United States banks operate 221 branches in Europe, the Far East, Panama, and Guam. Unfortunately, this essential service to our troops at far-flung bases is threatened by a legal dilemma beyond the control of MBF contractors.

A conflict exists between U.S. law and foreign host country law over the issue of severance pay for foreign nationals. If foreign nationals are terminated, the MBF contractors must pay them severance pay consistent with local law. This is required by host country law and by the treaties negotiated by the United States. However, under 10 United States Code 2234(e)(1), severance payments made by an MBF contractor to foreign nationals are allowable contract costs only to the extent that the payments do not exceed amounts that are customarily paid in the relevant U.S. industry. Where the host country demands that the United States leave a base, none of the severance costs will be reimbursed to the contractor. In short, the MBF contractor will be caught in the middle between United States and foreign law.

With the United States military presence in Europe diminishing, and the MBF contractor having control over troop withdrawal decisions, the potential severance pay liability is overwhelming for any future military banking contractor. Congress appropriated \$15 million last year for the entire Military Banking Program, covering all 211 branches. The MBF's contingent severance pay liability, programwide, will be between \$40 and \$70 million.

It is worth noting that the U.S. Government has a similar potential liability for the foreign nationals it has directly hired overseas. The financial risk for the U.S. Government for these direct hire employees is so large that the President proposed in his fiscal year 1992 DOD budget request—section 8043—that a special trust fund be established to cover this potential liability. However, that fund will not cover the contractor's liability for the foreign nationals it hires.

If the current law is not amended, two undesirable consequences will likely result. First, under the present circumstances, no contractor will be willing to enter into new MBF contracts and our military personnel and their dependents stationed overseas will lose the essential banking services on which they have relied for over 40 years. Second, as those contractors discontinue these services, large numbers of foreign nationals will be terminated and the U.S. Government will, under existing contracts, have to reimburse their severance pay costs. The United States will have to pay, in the very near term, all of the severance costs that we hoped to avoid in the long term.

The General Accounting Office [GAO] was asked to investigate the severance pay situation for foreign nationals hired by the United States Government at two bases in Greece. In

testimony provided to the Congress on April 24, 1991, GAO found at least three reasons why the United States ought to pay severance costs consistent with local foreign law, regardless of the reason the base is closed. First, to do otherwise would violate international agreements and possibly lead to the unraveling of the NATO Status of Forces Agreements and the Bilateral Basing Agreement. Second, the foreign nationals could sue the United States in Greek courts and would likely prevail. Third, the United States may encounter several labor problems if it refuses to pay the required severance pay. We believe the same logic applies to DOD contractors who are required to pay severance pay to foreign nationals.

Unless Congress changes the current law on severance pay for foreign nationals, the provision of basic banking services as currently provided at U.S. overseas bases around the world will almost certainly end. These changes would permit the DOD to reimburse contractors for severance pay that is required to be paid under foreign law, but would provide that in negotiating upcoming Status of Forces Agreements, the President should negotiate provisions to place the burden of severance pay liability on the proper country. If the host nation forces the United States out of a base, then that nation should pay all the severance pay for foreign nationals. In all other cases, if the local law requires severance pay in excess of what is customarily paid in the United States, the host country should be responsible for the difference. I ask my colleagues to cosponsor this legislation to preserve these services for our military personnel and their dependents.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZED ALLOWABLE SEVERANCE PAY COSTS.

(a) AMOUNT OF SEVERANCE PAY COSTS ALLOWABLE WHERE CONTROLLED BY HOST COUNTRY LAW, ETC.—(1) Section 2324(e)(1)(M) of title 10, United States Code, is amended by inserting before the period at the end the following: “, except that such costs may be allowed to the extent that the head of the agency that awarded the contract determines, under regulations prescribed by the Secretary, that payment of such severance pay is necessary to comply with host country law, international bilateral agreements, or employment practices required by host country law”.

(2) The amendment made by paragraph (1), shall apply with respect to any contract entered into, extended, or renewed after the date of the enactment of this Act.

(b) CLARIFICATION REGARDING SEVERANCE PAY IN THE EVENT OF BASE CLOSURES OR CURTAILMENTS.—(1) Section 2324(e)(1)(N) of such title is amended by inserting before the period at the end the following: “, except such costs may be allowed if, and to the extent that, they are not reimbursed by the foreign country”.

(2) The amendment made by paragraph (1) shall apply with respect to terminations of employment occurring after the date of the enactment of this Act.

SEC. 2. CLARIFICATION OF SENSE OF CONGRESS REGARDING RESPONSIBILITIES FOR SEVERANCE PAY IN THE EVENT OF BASE CLOSURES AND WHERE HOST COUNTRY LAW PREVAILS AND IS DIFFERENT FROM UNITED STATES STANDARDS.

Subsection (c) of section 311(c) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1412) is amended to read as follows:

“(c) SENSE OF CONGRESS.—It is the sense of Congress that—

“(1) in the event a United States military facility located in a foreign country is closed (or activities at the facility are curtailed) at the request of the government of that country, such government should be responsible for the payment of severance pay to foreign nationals in the country whose employment by the United States or by a contractor under a contract with the United States is terminated as a result of the closure or curtailment;

“(2) in negotiating a status-of-forces agreement or other country-to-country agreement with the government of a foreign country, the President should endeavor to include in the agreement—

“(A) a provision that would require the government of that country to pay severance pay to foreign nationals in that country whose employment is terminated as a result of the closing of, or the curtailment of activities at, a United States military facility in that country, if the closing or curtailment is at the request of the government of that country; and

“(B) a provision that would require the government of that country to grant an appropriate exemption, waiver, or a determination of nonapplicability for any host nation law, international bilateral agreement, or employment practices required by host country law which establishes severance pay for foreign nationals employed by the United States Government or its service contractors at a rate that exceeds the amount typically paid in the industry involved in the United States;

“(3) since severance pay liability is a substantial and unknown factor for Government service contractors, the United States Government or the host nation should pay severance costs if either initiates a base closing or curtailment of activities; and

“(4) whenever possible, such contractors should endeavor to minimize potential United States Government liability for severance pay paid to their employees outside the United States.”.

SMALL BUSINESSES NEED A SIMPLIFIED PENSION PROGRAM

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. LaFALCE. Mr. Speaker, today I introduced a bill to encourage the creation of pension plans for the employees of small businesses. Joining me in sponsoring this bill are my friends and colleagues, Representatives ANDY IRELAND, ROD CHANDLER, and JIM MOODY. As you know, Mr. IRELAND is the new ranking Republican member of the Small Business Committee which I am privileged to chair, while Messrs. CHANDLER and MOODY serve on the Ways and Means Committee, which has jurisdiction over this issue. I am

pleased to report that already another 13 Members of the House have also asked to be included as cosponsors of this bill, bringing the total to 17.

A major goal of the legislation is to help stem the alarming trend away from private pensions. In fiscal year 1990, there was a 50-percent drop in the creation of new defined contribution plans, and a 29-percent increase in the termination of existing plans. The situation is even more alarming when one looks at defined benefit plans. Only 1,800 new plans of this type were created last year, but nearly 10 times that many, some 17,000, were terminated.

America's retirement income system has traditionally relied on three major sources: Social Security, personal savings, and pensions provided through the employment relationship. But as the above data indicates, a growing number of U.S. workers do not have access to pensions. This is exactly the wrong trend, and it is up to us to help counteract it.

Much of the problem, in my view, is caused by the incredibly complex reporting requirements under existing pension laws. Meeting these requirements is hard enough for any employer, but it becomes prohibitively burdensome and expensive for small businesses. Because of this, it is little surprise that very few of the 35 million Americans who work in small businesses have access to private pensions of any kind. That's why we introduced this bill—to set up a very simple program which any employer can participate in, easily, cheaply, and without having to constantly worry about meeting some bureaucratic nicety.

Under present pension laws, very few employers with fewer than 100 employees are able to offer pension benefits. Our bill permits those employers to offer their employees the chance to open a “PRIME account” through tax-free payroll deductions of up to \$3,000 per year. In addition to the employee's contributions, the employer would make matching contributions equal to the employee's contributions up to 3 percent of salary. While participation in existing pension programs improves among employers with more than 100 employees, nevertheless, many middle-sized employers do not now offer such benefits, so the bill also permits employers with between 100 and 250 employees to enter this new program so long as they have not offered any other pension or retirement benefits during any of the previous 5 years.

The PRIME account would be similar to an IRA, but only available through employer-sponsored plans. It would be fully vested from day one, and the employee would roll the funds in the account over into another PRIME account or an IRA when the employment relationship terminates. Like an IRA, there would be penalties for withdrawals prior to reaching retirement age.

Employers would have to make the plan available to all employees who are expected to work at least half time or more during a given year. An employee who chooses to participate may cease that participation at any time, although such an employee would not be eligible to rejoin the program until the following year. The employer's matching contributions must begin no later than 6 months after an

employee begins to participate, but can begin sooner if the employer decides to do so.

This is a win-win-win situation. Small businesses will finally have an affordable way to offer a meaningful pension-type benefit to their employees, putting them in a better position to compete in an increasingly tight labor market. Employees will have greater access to this very important source of retirement income. And lastly, the country as a whole will benefit, since savings of this kind will be put back into our economy and make us less dependent on borrowing from foreign sources of capital.

Mr. Speaker, our bill is very similar to the one introduced in the Senate at the end of January by Senator PACKWOOD and a bipartisan group of 13 other Senators, including the chairman of that body's Finance Committee, Senator BENTSEN. And I am pleased to note that the Secretary of Labor, just last week, announced the administration's support for a package of pension simplification measures which included a program very similar to ours as well. Given that support in the Senate and from the Bush administration, we think there is a strong chance of enacting this or a similar program this year, and we would encourage all of our colleagues, on both sides of the aisle, to support our bill.

I insert the text of the bill at this point in the RECORD:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "PRIME Retirement Account Act of 1991."

SEC. 2. ESTABLISHMENT OF PRIVATE RETIREMENT INCENTIVES MATCHED BY EMPLOYERS.

(a) IN GENERAL.—Section 408 of the Internal Revenue Code of 1986 (relating to individual retirement accounts) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

"(p) PRIME ACCOUNTS.—

"(1) IN GENERAL.—For purposes of this title, the term 'PRIME account' means an individual retirement plan—

"(A) with respect to which the requirements of paragraphs (3), (4), and (5) are met; and

"(B) with respect to which the only contributions allowed are contributions under a qualified salary reduction arrangement.

"(2) Qualified salary reduction arrangement.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'qualified salary reduction arrangement' means a written arrangement of an eligible employer under which—

"(i) an employee may elect to have the employer make payments—

"(I) as elective employer contributions to the PRIME account on behalf of the employee, or

"(II) to the employee directly in cash,

"(ii) the amount which an employee may elect under clause (i) for any year is required to be expressed as a percentage of compensation and may not exceed a total of \$3,000 for any year, and

"(iii) after the employee has made contributions to the PRIME account under clause (i) for six months, the employer—

"(I) is required to make a matching contribution to the PRIME account for any year in an amount equal to so much of the

amount the employee elects under clause (i)(I) as does not exceed 3 percent of compensation,

"(II) may make no other matching contribution.

"(iv) Notwithstanding the foregoing, the employer may, at the employer's sole option, waive some or all of the six month period called for in clause (iii) and commence making employer contributions prior to the expiration of the one year period, provided that such earlier payments are made on behalf of all participating employees.

"(B) ELIGIBLE EMPLOYER.—For purposes of this subsection, the term 'eligible employer' means an employer who normally employs fewer than 100 employees on any day during the year, or any employer who normally employs between 100 and 250 employees on any day during the year which has not offered its employees any pension or retirement benefit program during any of the previous five years.

"(C) ARRANGEMENT MAY BE ONLY PLAN OF EMPLOYER.—

"(1) IN GENERAL.—An arrangement shall not be treated as a qualified salary reduction arrangement for any year if the employer (or any predecessor employer) maintained a qualified plan with respect to which contributions were made, or amounts were accrued, for any year in the period beginning with the year such arrangement became effective and ending with the year for which the determination is being made.

"(ii) SERVICE CREDIT.—A qualified plan maintained by an employer shall provide that, in computing the accrued benefit of any employee, no credit shall be given for service during a year for which such employee was eligible to participate in a qualified salary reduction arrangement of such employer.

"(iii) QUALIFIED PLAN.—For purposes of this subparagraph, the term 'qualified plan' means a plan, contract, pension, or trust described in subparagraph (A) or (B) of section 219(g)(5).

"(D) NO FEE OR PENALTY ON EMPLOYEE'S INITIAL INVESTMENT DETERMINATION.—An arrangement shall not be treated as a qualified salary reduction arrangement unless it provides that no fee or penalty will be imposed on an employee's initial determination with respect to the investment of any contribution.

"(3) VESTING REQUIREMENTS.—The requirements of this paragraph are met with respect to a PRIME account if the employee's rights to any contribution to the PRIME account are nonforfeitable. For purposes of this paragraph, the rules of subsection (k)(4) shall apply.

"(4) PARTICIPATION REQUIREMENTS.—The requirements of this paragraph are met with respect to any PRIME account for a year only if, under the qualified salary reduction arrangement, all employees of the employer who are reasonably expected to work at least 1,000 hours during such year are eligible to make the election under paragraph (2)(A)(i).

"(5) ADMINISTRATIVE REQUIREMENTS.—The requirements of this paragraph are met with respect to any PRIME account if, under the qualified salary reduction arrangement—

"(A) an employer must make the elective employer contributions under paragraph (2)(A)(i) and the employer matching contributions under paragraph (2)(A)(iii) not later than the close of the 30-day period following the last day of the month with respect to which the contributions are to be made,

"(B) an employee may elect to terminate participation in such arrangement at any

time during the year, except that if an employee so elects, the employee may not elect to resume participation until the beginning of the next year, and

"(C) each employee eligible to participate—

"(i) may elect, during the 60-day period before the beginning of any year, to participate in the arrangement, or to modify the amounts subject to such arrangement, for such year, and

"(ii) may elect, within 30 days of commencing employment during any year, to participate in the arrangement.

"(6) DEFINITIONS.—For purposes of this subsection—

"(A) EMPLOYEE.—The term 'employee' includes an employee as defined in section 401(c)(1).

"(B) YEAR.—The term 'year' means the calendar year."

(b) PRIME ACCOUNTS NOT TREATED AS PENSION PLANS.—Notwithstanding any other provision of law, a prime account or qualified salary reduction arrangement under section 408(p) of the Internal Revenue Code of 1986 shall not be treated as an employee benefit plan or pension plan for purposes of the Employee Retirement Income Security Act of 1974.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 1991.

SEC. 3. TAX TREATMENT OF PRIME ACCOUNTS

(a) DEDUCTIBILITY OF CONTRIBUTIONS.—

(1) Section 219(b) of the Internal Revenue Code of 1986 (relating to maximum amount of deduction) is amended by adding at the end thereof the following new paragraph:

"(4) SPECIAL RULE FOR PRIME ACCOUNTS.—This section shall not apply with respect to any amount contributed to a PRIME account established under section 408(p)."

(2) Section 219(g)(5)(A) of such Code (defining active participant) is amended by striking "or" at the end of clause (iv) and by adding at the end thereof the following new clause:

"(vi) any PRIME account (within the meaning of section 408(p), or)".

(b) CONTRIBUTIONS AND DISTRIBUTIONS.—

(1) Section 402 of such Code (relating to taxability of beneficiary of employees' trust) is amended by adding at the end thereof the following new subsection:

"(k) TREATMENT OF PRIME ACCOUNTS.—The rules of paragraphs (1) and (3) of subsection (h) shall apply to contributions and distributions with respect to a PRIME account under section 408(p)."

(2) Section 408(d)(3) of such Code is amended by adding at the end thereof the following new subparagraph:

"(G) PRIME ACCOUNTS.—This paragraph shall not apply to any amount paid or distributed out of a PRIME account (as defined in section 408(p)) unless it is paid into another PRIME account."

(3) Clause (1) of section 457(c)(2)(B) of such Code is amended by striking "section 402(h)(1)(B)" and inserting "section 402(h)(1)(B) or (k)".

(c) PENALTIES.—

(1) EARLY WITHDRAWALS.—Section 72(t) of such Code (relating to additional tax in early distributions) is amended by adding at the end thereof the following new paragraph:

"(6) SPECIAL RULES FOR PRIME ACCOUNTS.—In the case of any amount received from a PRIME account (within the meaning of section 408(p)) during the 3-year period beginning on the date such individual first participated in any qualified salary reduction arrangement maintained by the individual's

employer under section 408(p)(2), paragraph (1) shall be applied by substituting '25 percent' for '10 percent'."

(2) FAILURES TO REPORT.—Section 6693 of such Code is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) PENALTIES RELATING TO PRIME ACCOUNTS.—

"(1) EMPLOYER PENALTIES.—An employer who fails to provide 1 or more notices required by section 408(1)(2)(C) shall pay a penalty of \$100 for each day on which such failures continue.

"(2) TRUSTEE PENALTIES.—A trustee who fails—

"(A) to provide 1 or more statements required by the last sentence of section 408(1) shall pay a penalty of \$100 for each day on which such failures continue, or

"(B) to provide one or more summary descriptions required by section 408(1)(2)(B) shall pay a penalty of \$100 for each day on which such failures continue."

(d) REPORTING REQUIREMENTS.—

(1)(A) Section 408(1) of such Code is amended by adding at the end thereof the following new paragraph:

"(2) PRIME ACCOUNTS.—

"(A) NO EMPLOYER REPORTS.—Except as provided in this paragraph, no report shall be required under this section by an employer maintaining a qualified salary reduction arrangement under subsection (p).

"(B) SUMMARY DESCRIPTION.—The trustee of any PRIME account established pursuant to a qualified salary reduction arrangement under subsection (p) shall prepare, and provide to the employer maintaining the arrangement, each year a description containing the following information:

"(i) The name and address of the employer and the trustee.

"(ii) The requirements for eligibility for participation.

"(iii) The benefits provided with respect to the arrangement.

"(iv) The time and method of making elections with respect to the arrangement.

"(v) The procedures for, and effects of, withdrawals from the arrangement.

"(C) EMPLOYEE NOTIFICATION.—The employer shall notify each employee immediately before the period for which an election described in subsection (p)(5)(C) may be made of the employee's opportunity to make such election. Such notice shall include a copy of the description described in subparagraph (B)."

(B) Section 408(1) of such Code is amended by striking "An employer" and inserting—

"(1) IN GENERAL.—An employer".

(2) Section 408(i) of such Code is amended by adding at the end the following new flush sentence:

"In the case of a PRIME account under subsection (p), only one report under this subsection shall be required to be submitted to the Secretary (at the time provided under paragraph (2)) but, in addition to the report under this subsection, there shall be furnished, within 30 days after each calendar quarter, to the individual on whose behalf the account is maintained a statement with respect to the account balance as of the close of, and the account activity during, such calendar quarter."

(e) CONFORMING AMENDMENTS.—

(1) Section 280G(b)(6) of such Code is amended by striking the "or" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting "

or" and by adding after subparagraph (C) the following new subparagraph:

"(D) A PRIME account described in section 408(p)."

(2) Section 402(g)(3) of such Code is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", and" and by adding after subparagraph (C) the following new subparagraph:

"(D) any employer contribution under section 408(p)(2)(A)."

(3) Subsections (b) and (c) of section 414 of such Code are each amended by inserting "408(p)," after "408(k)."

(4)(A) Section 415(a)(2) of such Code is amended by striking "or" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", or" and by adding after subparagraph (C) the following new subparagraph:

"(D) a PRIME account described in section 408(p)." (B) Section 415(a)(2) of such Code is amended—

(i) by striking "or pension" and inserting "pension, or account", and

(ii) by striking "or 408(k) and inserting "408(k), or 408(p)".

(C) The second last sentence of section 415(c)(2) of such Code is amended—

(i) by inserting a comma after "408(d)(3)", and

(ii) by inserting ", and without regard to contributions to a PRIME account which are excludable from gross income under section 408(p)" after "408(k)(6)".

(D) Section 415(e)(5) of such Code is amended by inserting "or PRIME account" after "simplified employee pension".

(E) Section 415(k)(1) of such Code is amended by striking "or" at the end of subparagraph (E), by striking the period at the end of subparagraph (F) and inserting ", or" and by adding after subparagraph (F) the following new subparagraph:

"(G) A PRIME account described in section 408(p)."

(5) Section 4972(d)(1)(A) of such Code is amended by striking "and" at the end of clause (i), by striking the period at the end of clause (iii) and inserting ", and", and by adding after clause (iii) the following new clause:

"(iv) any PRIME account (within the meaning of section 408(p))."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

INTRODUCTION OF THE STATE HEALTH REFORM OPPORTUNITY ACT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. MARKEY. Mr. Speaker, today I am introducing the State Health Reform Opportunity Act of 1991, legislation that will break the health policy gridlock that is preventing this Nation from dealing with the health-care crisis facing every citizen on a daily basis. This bill is a vote of confidence in States that choose to implement Canadian-style universal health-care legislation within their borders. This legislation would provide States that enact cost effective, public administered, universally accessible health care systems with a Federal waiver allowing them to receive the same Federal

Medicare and Medicaid money in the new, universal system they are currently receiving from the Federal Government in our present patchwork system.

With every sixth American going without any form of health insurance and costs rising every day, our health care structure is no longer working for the average American. I am supportive of Federal efforts to overhaul the system in favor of a comprehensive, universally accessible health-care system. I will continue to advocate for congressional action to implement national health care. However, I do not believe that the Federal Government should stand in the way of States that can no longer wait for the Federal Government to act to solve the nationwide health-care crisis of lack of access and rising costs.

According to a report released by Citizen Action, 20 States are currently considering bills in their State legislatures that would overhaul the current patchwork of private insurance programs, Federal Medicare and Medicaid coverage and other State- or Federal-subsidized programs in favor of State-administered, public health insurance. It is evident that our current patchwork system is not working and that the private insurance industry is not stepping in with affordable, accessible solutions.

This legislation goes one better for these 20 States that are currently considering statewide universal health-care programs. My home State of Massachusetts is currently considering cost effective, universal health-care legislation and will undoubtedly continue to be a leader in health care reform. Other States from New York, to Florida, to Washington and California are currently considering health-care reform legislation which would implement cost effective, universally accessible systems. In Maine, the speaker of the house of representatives is the key sponsor of legislation which would create a committee to develop and implement a statewide, publicly financed, universally accessible and cost effective health insurance program by July 1, 1993. This legislation is expected to be considered by the Maine Senate in the near future. Other States will follow as they see no other solution in dealing with the growing number of uninsured in their State and the growing expense of providing medical care.

I am introducing the State Health Care Reform Opportunity Act of 1991 in the hope that the ultimate goal of ensuring access to health care will be furthered. We must take serious action to address the problems of lack of access and affordability. The Federal Government should not stand in the way of States that are trying to address their own health care problems. Let's let those innovative States that choose to, lead the way and a national solution will follow.

STATE UNIVERSAL ACCESS LEGISLATION
(Summary Provided by Citizen Action—May 1991)

California: SB 36, the California Right to Health Care Act, has been introduced by Senator Nick Petris. It would create a publicly-financed state health plan to provide comprehensive benefits to every Californian.

Colorado: HB 1251, the Universal Health Insurance for Colorado Plan Act (UHICO), would create a single, publicly-financed statewide health plan by January 1, 1993. The

bill was assigned to the House Finance Committee where, on February 13, it was tabled by a narrow 6-5 vote. The UHICO coalition is currently considering revisions and the bill will be reintroduced in 1992.

Florida: HB 1 and SB 1212, the Florida Universal Health Access Plan, would establish a single, publicly-financed statewide program to provide coverage to all residents. The legislation, sponsored by Representative Gordon and Senator Weinstock, was passed by the House Health Services Subcommittee (7-3), the House Health Care Committee (14-4), the House Appropriations Committee (17-12), and the Senate Health and Rehabilitative Services Committee (7-0). The legislative session ended, however, before the legislation was considered by the Senate Finance and Taxation Committee or the full House or Senate. The bill will be reintroduced in the next legislative session.

Illinois: SB 300 and HB 300 (now HB 1217) was introduced by Senators Smith and Del Valle and Representatives Young and Schakowsky. The Universal Health Care Act would create a single, publicly-financed state health plan covering all Illinois residents and providing comprehensive, quality benefits. On April 23, the House Insurance Committee voted 11-6 in favor of HB 300 but, because 12 positive votes were needed to advance the bill under committee rules, fell just one vote short. However, the legislation has been attached as an amendment to HB 1217 which will shortly be considered by the full House.

Indiana: HB 1898, the Indiana Universal Health Plan, was introduced by Representative Brown and was the subject of a hearing before the House Ways and Means Committee on February 26. HB 1898 would establish a statewide plan to cover all residents in Indiana and others who agree to pay appropriate charges.

Iowa: The Iowa Universal Health Insurance Plan, sponsored by Representative Johnnie Hammond, would establish a single, publicly-financed and publicly-accountable statewide health plan to cover all residents. The bill, House File 329, passed the House Human Resources Committee on March 18 by a vote of 12-6. It will be the focus of legislative hearings throughout the state this summer.

Kansas: SB 205, introduced by Senators Walker and Winter, would cover all Kansas residents and out-of-state residents employed in Kansas if they pay the requisite fees. Kansans would receive a basic set of health care benefits, with an emphasis on primary and preventive care, through a state-run program. They could purchase an additional package of approved benefits through the state program or from private insurers. The bill will undergo interim summer study in 1991. The Kansas legislature passed SB 403 this session, creating the Kansas Commission on the Future of Health Care to develop short-term and long-term strategies for the state.

Maine: LD 1727, the Universal Health Care bill, was introduced by House Speaker John Martin, Representative Charlene Rydell, and Senators Dale McCormick and Beverly Bustin. The bill would create a select committee to develop and, by July 1, 1993, implement a statewide, publicly-financed health program which would be run by a publicly-accountable, non-profit agency. The bill has been the focus of legislative hearings and is expected to be considered shortly by the full Senate.

Massachusetts: The Massachusetts Family Health Plan, HR 4145, introduced by Rep-

resentative John McDonough, would establish the Health Resources Corporation to develop and implement a state health care plan. Under the plan, Massachusetts residents, (as well as out-of-state persons working or attending post-secondary educational facilities in the Commonwealth if they pay appropriate fees), would be able to select coverage through a state-run program or alternative plans which meet Corporation-established requirements. The bill is currently pending in committee.

Michigan: Michicare is being sponsored by Representative Perry Bullard. It would create a single-publicly-financed program to provide comprehensive benefits to all residents of Michigan and nonresidents employed in the state who pay the requisite tax. The bill will be introduced this summer and is expected to be the focus of public hearings.

Minnesota: The Minnesota Health Assurance Plan, sponsored by Representative Lee Greenfield and Senator Ron Dicklich, would establish a phased program leading to implementation of a single, statewide program covering all Minnesotans by January 1, 1996. During a transition period, the bill would establish a number of insurance underwriting reforms. HF 393 is currently in committee and was the focus of an April 5 hearing before the Health Care Access Division of the Senate Health and Human Services Committee.

Missouri: HB 28, the Missouri Universal Health Assurance Plan, was introduced by Representative Gael Chatfield. The bill would create a single, publicly-financed state health plan covering all Missouri residents and, upon payment of appropriate surcharges, out-of-state residents who work in Missouri. In February, HB 28 passed the House Critical Decisions Committee by a 7-5 vote. It was debated in the House in April, where proponents successfully prevented a gutting of the bill by amendments. The bill lost on a final vote by 63-86.

New York: An Act to Provide Health Care to all New Yorkers and to Control Health Care Costs will be introduced shortly and will be one of the proposals to be discussed in a June 4 legislative hearing. Under the NYHEALTH plan, all residents of New York would receive a full range of services through a single, publicly-financed state program.

Ohio: The Ohio Universal Health Insurance Plan, HB 175, was reintroduced this session by Representative Robert Hagan and 29 co-sponsors. The bill would establish a single, publicly-financed state program to provide comprehensive benefits to all residents of Ohio. The legislation was the focus of a major lobby day in April by the wide-ranging coalition supporting the bill. It is currently being considered by a select committee, whose membership includes 4 HB 175 co-sponsors.

Oklahoma: The Universal Health Care Act, offered as a substitute for HB 1578, would establish a Universal Health Care Board, is sponsored by Representative Angela Monson. The Board is required to develop a plan by January 1, 1993 to provide universal coverage of comprehensive benefits to all residents of Oklahoma. The Board would also establish the date for actual implementation. The bill passed the health committee but was sent back to committee after it failed to win passage in the full House. It will be reintroduced in the 1992 legislative session.

Oregon: SB 790, sponsored by Representative Carl Hosticka and others, would create a universal, single-payer system to provide

comprehensive, quality benefits to all Oregon residents beginning January 1, 1994. This bill is currently in committee and Senate floor vote is anticipated this summer.

Vermont: S. 217, a bill creating the Vermont Health Care Program, sets a timetable and criteria for establishing a single-payer health care system covering all Vermont residents. The bipartisan bill, sponsored by Senators Cheryl Rivers and Tom McCauley, would establish a 7-member committee to develop and implement the plan. S. 217 will be one of the proposals considered by a Senate commission established to study the state's health care system and access problems this summer. The bill's sponsors intend to reintroduce the bill next year.

Washington: The Washington Health Care Service Act of 1992 was introduced in April by Representative Dennis Braddock. Representative Braddock was the author of universal coverage legislation which passed the House during the last legislative session. The bill would require that all Washington residents be covered for basic health services through the state plan or a state-approved alternative by July 1, 1996. The bill will be one of the alternatives studied by a state commission this summer and may be considered during the next legislative session.

West Virginia: HB 2925, the West Virginia Universal Health Care Act, introduced by Delegate David Grubb, would cover all state residents under a single, publicly-financed insurance program. Regional public hearings would be required to obtain consumer and provider input into the development of the program, which would be implemented by July 1, 1993. HB 2925 is one of the proposals which will be considered by a state commission created by the passage of HB 2461 to study solutions to West Virginia's health care problems.

Wisconsin: The Wisconsin Universal Health Plan, authored by Assembly Speaker Pro Tem David Clarenbach and Senator Russ Feingold, would create a single-payer, publicly-funded program to cover all Wisconsin residents. The bill, which will be introduced officially within the next two months, already has three Senate and 17 Assembly co-sponsors.

H. R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "State Health Reform Opportunity Act of 1991".

SEC. 2. STATE HEALTH CARE PLANNING GRANTS.

(a) IN GENERAL.—The Secretary of Health and Human Services shall provide grants of up to \$1,000,000 to each State to assist the State in developing and implementing a health care process that provides for the participation described in subsection (b) and that will result in development of a single, unified health care plan designed to accomplish the goals specified in subsection (c). Such a grant may be provided only if an application for the grant is made in a form and manner specified by the Secretary.

(b) PARTICIPATION.—The participation described in this subsection shall include—

- (1) both individual and business consumers of health care,
- (2) individual and institutional health care providers,
- (3) representatives of State and local governments, and
- (4) full opportunity for public comment, in writing and in public hearings.

(c) GOALS OF HEALTH CARE PLAN.—The goals of a single, unified health care plan of a State are as follows:

(1) The plan shall guarantee access to health care services for all residents in the State.

(2) The plan shall provide for access to necessary health care services, with a focus on preventive care and including prescription drugs.

(3) The plan shall eliminate disparities in health care access for covered services on the basis of race, income, health status, and geographic location.

(4) The plan shall reduce the rate of growth in health costs by lowering administrative costs, limiting the number of unnecessary medical procedures, and eliminating unnecessary paperwork.

(5) The plan shall simplify the current health care system to benefit both consumers and providers.

(6) The plan shall provide for progressive and equitable financing of health care costs.

(7) The plan shall include an annual State health care budget that includes standardized reimbursement systems (such as fee schedules, global budgets, and capitation for group practice arrangements) for institutional and individual providers.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1992 \$30,000,000 to make grants under this section.

(e) STATE DEFINED.—In this Act, the term "State" includes the District of Columbia and Puerto Rico.

SEC. 3. TRANSFER TO STATE OF FEDERAL HEALTH CARE EXPENDITURES UNDER THE MEDICARE, MEDICAID, AND OTHER FEDERAL PROGRAMS FOR SERVICES COVERED UNDER THE STATE HEALTH CARE PLAN.

(a) IN GENERAL.—Notwithstanding any other provision of law, if any State demonstrates to the satisfaction of the Secretary of Health and Human Services that—

(1) the State has enacted a law which establishes a single, unified health care plan that meets the goals specified in section 2(c),

(2) under the plan there is no reduction in the quality or volume of services provided under the programs specified in subsection (b), and

(3) no Federal funds to be provided under this section are used to replace State or local revenues which would otherwise be spent providing covered services to qualified recipients,

the Secretary shall provide that, instead of any payments made under the programs specified in subsection (b) with respect to residents or providers of health care in the State for services for which payments may be made under the State health care plan, the total of such payments shall be made to the State to be used under its health care plan. Such payments shall be made on such a periodic basis as approximates the periodic payments made under such programs.

(b) PROGRAMS INCORPORATED.—The programs specified in this subsection are as follows:

(1) The medicare program under title XVIII of the Social Security Act.

(2) The medicaid program under title XIX of the Social Security Act.

(3) The maternal and child health block grant program under title V of the Social Security Act.

(4) Any other Federal health care program that the Secretary identifies as providing health care services to qualified recipients within the State.

(c) LIMITATION TO COVERED SERVICES.—Subsection (a) shall not affect payments under programs described in subsection (b) for items and services not covered under the State health care plan.

(d) CONSTRUCTION.—This section shall supercede any provisions of law that otherwise entitle individuals or providers to payment for health care items and services under the programs specified in subsection (b).

AMENDMENTS TO STATE DEPARTMENT BILL

HON. JOHN MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. MILLER of Washington. Mr. Speaker, I would like to submit for the RECORD the following two amendments which I may offer to H.R. 1415, the State Department Authorization bill when it comes to the floor next week.

AN AMENDMENT TO H.R. 1415, AS REPORTED—OFFERED BY MR. MILLER OF WASHINGTON

At the end of Part F of Title I insert the following new section (and redesignate as may be appropriate):

SEC. 190. REPORT CONCERNING MILLER PRINCIPLES.

(a) REPORT.—Not later than two years after the date of the enactment of this Act, the Secretary of State shall submit a report to the Congress and to the Secretariat of the Organization for Economic Cooperation and Development, describing whether United States nationals are—

(1)(A) suspending the use of all goods, wares, articles, and merchandise that are mined, produced, or manufactured, in whole or in part, by convict labor or forced labor if there is reason to believe that the material or product is mined, produced, or manufactured by forced labor, and (B) refusing to use forced labor in an industrial cooperation project;

(2)(A) seeking to ensure that political or religious views, sex, ethnic or national background, involvement in political activities or nonviolent demonstrations, or association with suspected or known dissidents will not prohibit hiring, lead to harassment, demotion, or dismissal, or in any way affect the status or terms of employment at an industrial cooperation project, and (B) discriminating in terms or conditions of employment in an industrial cooperation project against persons with past records of arrests or internal exile for nonviolent protest or membership in unofficial organizations committed to nonviolence;

(3) seeking to ensure that methods of production used in an industrial cooperation project do not pose an unnecessary physical danger to workers and neighboring populations and property and are seeking to prevent unnecessary risks by an industrial cooperation project to the surrounding environment, including by consulting with community leaders regarding environmental protection with respect to an industrial cooperation project;

(4) striving to use as potential partners in an industrial cooperation project, business enterprises that are not controlled by the People's Republic of China or its authorized agents and departments;

(5) seeking to prevent a military presence on the premises of an industrial cooperation project;

(6)(A) seeking to promote freedom of association and assembly among the employees of the United States national, and (B) protesting infringements by the Chinese Government of such freedoms to the appropriate authorities of that government and to the international Labor Organization, which has an office in Beijing;

(7) using every possible channel of communication with the Chinese Government to urge that government to disclose publicly a complete list of all those individuals arrested since March 1989, to end incommunicado detention and torture, and to provide international observers access to all places of detention in the People's Republic of China and Tibet and to trials of prisoners arrested in connection with the pro-democracy demonstrations which have taken place in Tibet since 1987;

(8) seeking to discourage or undertake to prevent compulsory political indoctrination programs from taking place on the premises of the operations of an industrial cooperation project; and

(9)(A) seeking to promote freedom of expression, including the freedom to seek, receive and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing or in print, in the form of art, or through any media, and (B) raising with appropriate authorities of the Chinese Government concerns about restrictions on the importation of foreign publications.

(b) DEFINITIONS.—For purposes of this section—

(1) the term "industrial cooperation project" means a for-profit activity the business operations of which employ more than 25 individuals or have assets greater than \$25,000 in value; and

(2) the term "United States national" means—

(A) a citizen or national of the United States, or

(B) a corporation, partnership, and other business association organized under the laws of the United States, any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, or any other territory or possession of the United States.

AN AMENDMENT TO H.R. 1415, AS REPORTED—OFFERED BY MR. MILLER OF WASHINGTON

At the end of Part F of Title I insert the following section (and redesignate accordingly):

SEC. 190. REPORT CONCERNING MILLER PRINCIPLES.

(a) REPORT.—The Secretary of State prepare and submit a report to the Congress and to the Secretariat of the Organization for Economic Cooperation and Development, describing the level of adherence by United States nationals operating in the People's Republic of China and Tibet to the Miller Principles. Such a report shall be submitted not later than 2 years after the date of the enactment of this Act and not later than the end of each 1-year period occurring thereafter.

(b) DEFINITIONS.—For purposes of this section—

(1) the term "Miller Principles" means—

(A) suspending the use of all goods, wares, articles, and merchandise that are mined, produced, or manufactured, in whole or in part, by convict labor or forced labor if there is reason to believe that the material or product is produced or manufactured by forced labor, and refusing to use forced labor in an industrial cooperation project;

(B)(i) seeking to ensure that political or religious views, sex, ethnic or national background, involvement in political activities or nonviolent demonstrations, or association with suspected or known dissidents will not prohibit hiring, lead to harassment, demotion or dismissal, or in any way affect the status or terms of employment in an industrial cooperation project, and (ii) seeking not to discriminate in terms or conditions of employment in an industrial cooperation project against persons with past records of arrests or internal exile for nonviolent protest or membership in unofficial organizations committed to nonviolence.

(C) seeking to ensure that methods of production used in an industrial cooperation project do not pose an unnecessary physical danger to workers and neighboring populations and property and that an industrial cooperation project does not unnecessarily risk harm to the surrounding environment, and consulting with community leaders regarding environmental protection with respect to an industrial cooperation project;

(D) striving to use business enterprises that are not controlled by the People's Republic of China or its authorized agents and departments as potential partners in an industrial cooperation project;

(E) seeking to prevent a military presence on the premises of an industrial cooperation project;

(F) attempting to promote freedom of association and assembly among the employees of the United States national, including by protesting infringements by the Chinese Government of these freedoms to the appropriate authorities of that government and to the International Labor Organization, which has an office in Beijing;

(G) seeking to use every possible channel of communication with the Chinese Government to urge that government to disclose publicly a complete list of all those individuals arrested since March 1989, to end incommunicado detention and torture, and to provide international observers access to all places of detention in the People's Republic of China and Tibet and to trials of prisoners arrested in connection with the pro-democracy demonstrations which have taken place in Tibet since 1987;

(H) seeking to discourage or undertake to prevent compulsory political indoctrination programs from taking place on the premises of the operations of an industrial cooperation project; and

(I) seeking to promote freedom of expression, including the freedom to seek, receive and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing or in print, in the form of art, or through any media (including raising with appropriate authorities of the Chinese Government concerns about restrictions on the importation of foreign publications);

(2) the term "level of adherence" means—

(A) agreeing to implement the Miller Principles;

(B) implementing those principles by taking good faith measures with respect to each such principle; and

(C) reporting accurately to the Department of State on the measures taken to implement those principles;

(3) the term "industrial cooperation project" refers to a for-profit activity the business operations of which employ more than 25 individuals or have assets greater than \$25,000 in value; and

(4) the term "United States national" means—

(A) a citizen or national of the United States or a permanent resident of the United States; and

(B) a corporation, partnership, and other business association organized under the laws of the United States, any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, or any other territory or possession of the United States.

RODNEY N. CHERRY: RECIPIENT OF DEPARTMENT OF INTERIOR'S DISTINGUISHED SERVICE AWARD

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. SPENCE. Mr. Speaker, I would like to bring to your attention, and that of my colleagues, the exceptional public service of a constituent of mine, Mr. Rodney N. Cherry of Columbia, SC. Mr. Cherry is the district chief of the Water Resources Division for the State of South Carolina for the U.S. Geological Survey. The Secretary of the Interior, Manuel Lujan, has noted Mr. Cherry's achievements by bestowing upon him the highest honor of the Department, the Distinguished Service Award. All too often, the excellence of our country's civil servants is underappreciated, so it is fitting that proper recognition be given to those who work tirelessly for the benefit of their fellow citizens. For this reason, I would like to include in the record a copy of the Secretary's statement commenting upon Mr. Cherry's outstanding contributions. I would also like to express my gratitude and convey my congratulations to him for his efforts in behalf of my constituents.

The text of the citation follows:

CITATION FOR DISTINGUISHED SERVICE:
RODNEY N. CHERRY

For his outstanding contributions to the management of water-resources programs in the Geological Survey.

A distinguished scientist and administrator, Mr. Cherry has made many significant contributions to the field of hydrology through his scientific studies and outstanding direction and management of water-resources investigations. Among his technical achievements is a definitive work in Florida on spray irrigation and the reuse of waste water, a study which involved intensive measurements of changes in waste-treatment water as it moved through the upper aquifers. Mr. Cherry is credited as well with the successful completion of a pilot intensive river-quality assessment study on the upper Chattahoochee River Basin that became a model for today's National Water Quality Assessment Program. His contributions to water-quality instrument design and development have been equally impressive. Of particular note is the patented multi-parameter recorder, an electronically controlled water sampler, that was built for use in uncased or screened wells. Under Mr. Cherry's guidance, the Geological Survey's water-resources program in South Carolina is in the forefront nationally in the collection of real-time hydrologic data. He pioneered the development of compatible hardware and software for effective and efficient use of data-collection platforms and satellite data-

relay interfaces. Because of his leadership, South Carolina is a designated Direct-Read-out Ground station that receives Geostationary Orbiting Earth Satellite information for retransmission of data to all Southeastern Region district offices. Mr. Cherry's leadership, managerial excellence, and his insight into major technical issues have been instrumental in developing his widely-recognized stature as one of the most effective water-resource program district chiefs in the Nation. He has been exceptional at attracting talented individuals and grooming them into internationally recognized scientists and researchers. His ability to foster multidivision support for highly visible environmental issues has resulted in a total earth-science approach to some of the Nation's most sensitive toxic-waste problems, including radioactive-waste pollution in the Savannah River basin, and toxic-waste disposal along the Atlantic Coast. For his exceptional contributions to the development of water-resources programs in the Geological Survey, Rodney N. Cherry is granted the highest honor of the Department of the Interior, the Distinguished Service Award.

MANUEL LUJAN, JR.,
Secretary of the Interior.

MARY McLEOD BETHUNE FINE ARTS CENTER

HON. CRAIG T. JAMES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. JAMES. Mr. Speaker, two weeks ago, the House of Representatives passed a bill authorizing Federal acquisition of the Mary McLeod Bethune Council House National Historic Site. Given Dr. Bethune's landmark accomplishments in the fields of education, civil rights and public service, it was only appropriate that her Washington, DC, home and headquarters be so recognized and administered. Present and future generations of Americans will surely benefit from seeing the site of many of her good works and learning from the archives located there.

For many of those very reasons, untold numbers of Americans also would benefit from the completion of a fine arts center in Florida that bears her name and recognizes her outstanding leadership, particularly in the field of education. Located on the campus of Bethune Cookman College in Daytona Beach—a college she founded and then served as president for 36 years—this facility was authorized by Congress in 1986 and has been under construction since 1988.

Now, the first phase of the Mary McLeod Bethune Fine Arts Center is virtually complete. But phase II—consisting of additional classrooms, more conference space and a 3,000-seat auditorium—remains to be built. If completed, this additional learning area will serve hundreds of teachers, thousands of students, and over the years, tens of thousands of visitors attending events in the auditorium. And, in the process, it will help advance the ideals of education and justice for which Dr. Bethune stood so strongly.

To fulfill that promise, I am pleased today to join with Florida's senior Senator—Mr. GRAHAM—in the introduction of legislation that

would enable this multipurpose academic and cultural structure to be fully completed. Specifically, the companion measures call for the authorization of an additional \$9.5 million—\$5.9 million has been spent already—for the construction and maintenance of the Mary McLeod Bethune Fine Arts Center. If quickly approved, as I hope it will be given the prior congressional authorization and the current unfinished state of the project, this legislation would not just be of great benefit to the students and faculty of Bethune Cookman College. Just as important, it would also complement and reinforce the recognition so properly being accorded Dr. Bethune in H.R. 690. Indeed I can think of no more fitting a tribute to her life and work.

I invite my colleagues to join me in this effort to complete a living memorial to Dr. Bethune by cosponsoring this measure and/or by pushing for its prompt enactment. It's a worthy cause deserving of timely support.

GEORGE NALLE, JR.—PLASTIC VISIONARY

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. PICKLE. Mr. Speaker, I want to compliment George Nalle, Jr., who is to be honored this month in Montreal as a fellow in the Society of Plastics Engineers, an international organization of experts in the plastics business.

George Nalle, Jr., the grandson of former Texas Governors James "Pa" Ferguson and Miriam "Ma" Ferguson, has carved out his own unique niche in the history of Austin, TX, and I am proud to call George Nalle, Jr. a good friend and to salute him on his outstanding achievements in the field of plastics, as well as business.

He and his wife, Anne, are lifelong friends and have been close associates of mine and President and Mrs. Lyndon Johnson all these years. George is an outspoken citizen and leader, and he is one of the great patriotic Americans of our times. He pioneered the development of the plastic industry in our State, and it is good to see him honored.

I commend this article from the Austin American-Statesman to you and my colleagues.

SEEING ENDLESS POSSIBILITIES FOR PLASTIC—NALLE INTRIGUED BY MATERIAL'S POTENTIAL
(By Kim Tyson)

George Nalle, Jr. has long been fascinated with the way plastic can be molded, poured and heated to make different products.

"Man has always adapted materials of nature to his use, but plastics represent the first time that he's been able to make a material with the end properties he desired," the gray-haired Nalle said recently.

His interest in the material led him to create a firm that during the 1950s was producing 2 million plastic clothespins a month. In the 1960s, he won patents for a precise, low-cost plastic netting.

Nalle, 71, eventually received 26 U.S. patents for his manufacturing techniques, principally involving ways plastic could be extruded to form woven mesh netting.

Next month, he will be honored in Montreal as a fellow in the Society of Plastics Engineers, an international organization of experts in the plastics business. One of three plastics entrepreneurs to be named a fellow this year, he will join 62 to receive the honor since it was established in 1984.

Nalle sold his firm three years ago to U.S. Netting, but he remains interested in developing new ways to adapt plastic. Currently, he is working on ideas for making plastic that will conduct electricity.

"It has literally thousands of applications," he explained.

The grandson of former Texas Govs. James "Pa" Ferguson and Miriam "Ma" Ferguson, Nalle didn't take the same road as some members of his family, which has been prominent in Austin's history for 150 years.

Nalle eschewed politics, except for a two-term stint as mayor of Rollingwood in the early 1960s. He said he chose to become the "black sheep" in his family by pursuing a science career and studying physics at the University of Texas.

"You can't make soup out of your ancestors' bones," he quipped, leaning back in a chair in his cluttered office.

"It was a new field and it looked like it had some good opportunities," he said. "That was in the days of the old cellulose nitrate, which was very flammable. If it got anywhere near a match, it exploded, literally exploded."

"It was nothing like what is available today. We have made in the last 45 years tremendous strides in the plastics industry. But even at that time, it was interesting."

After graduating in 1941, Nalle joined the Air Force and was assigned during World War II to a special weapons group in the International Telephone & Telegraph Laboratory in New York City. At the end of the war, he was in charge of a team sent into Germany to study how that country worked with plastic.

When he returned to Austin after the war, he said, he bought an injection molding machine "within 48 hours" and started Nalle Plastics.

Nalle headed Nalle Plastics' research and development efforts and designed and built some of its injection molding machinery and the equipment for extruding plastic into plastic netting or screening.

His work on the netting—originally conceived by him but never used as a way to make lower-cost insect screening—led Nalle to eventually work with Baxter Medical Corp. in the mid-1960s to develop a plastic support for dialysis filter membranes.

It was this breakthrough that made the efficient mass-production of dialysis filters possible, said Earl Dumitru, past president of the Central Texas Section of the engineers' society and a good friend of Nalle.

The work Nalle did on the dialysis filter led to development of other "membrane support structures" that were used in filtering sea water in such places as Japan and Iran.

"The Naltex products made artificial kidneys practical and have been a vital part of the membrane processes for desalinating sea water. The nets also protect seedlings from animal attack in reforestation projects, protect polished metal surfaces from scratches and help control runoff in construction projects," Dumitru said.

Since selling Nalle Plastics, Nalle said, he has divided his time between pursuing plastics research and his ranching and real estate interests. He still owns the Nalle Plastics land on two-thirds of a block at Second and Colorado streets, as well as 75 acres he

bought in the 1940s at the Loop 360 bridge and Lake Austin where he raises antelopes. He also owns some apartment properties.

Nalle has transformed a unit in his downtown Regency Apartments into offices for Nalle Enterprises. His office is filled with memorabilia of his travels—paintings of Egyptian pyramids by his wife, Indian masks and large amethyst geodes from Brazil.

Nalle said he still "tinkers" on projects with Dumitru and talked last month with attorneys in Washington about a new patent application he's filed on electrically conductive plastics.

"Probably it will be worth nothing," he said. "But I've spent my life trying to develop new things. I haven't stopped yet."

H.R. 2277

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. GIBBONS. Mr. Speaker, today I am introducing H.R. 2277, along with our colleagues, Mr. ARCHER, Mr. PEASE, Mr. MATSUI, Mr. DORGAN, Mr. McGRATH, Mrs. JOHNSON, Mr. HORTON, Mr. FISH, and Ms. SLAUGHTER, that is designed to enhance the ability of U.S. companies to compete more efficiently and effectively in the emerging European Community single market.

The member countries of the European Community continue to make significant strides toward a single economic market. There has been considerable progress toward the development of a European Company Statute and full harmonization of the countries' tax and trade laws. The barriers to unfettered trade within the European Community are being lifted. As a result, the European Community will soon be the world's largest integrated market.

The European Community single market provides opportunities for growth, yet there are also significant risks for U.S. businesses operating in those countries. To the extent that U.S. multinational corporations readjust their operations and successfully plan for the new market, they will be able to take advantage of the expanded market. If U.S. businesses, however, are unable to meet these challenges, they will fall victim to better prepared, better organized foreign competitors. The response of U.S. businesses unquestionably will have a dramatic impact on U.S. industry and jobs and on the U.S. trade deficit.

U.S. multinational corporations are working hard to ensure that they will be competitive throughout Europe. Congress, though, must also respond to the changing European Community market. It is imperative that the U.S. tax and trade laws be reexamined and modified appropriately so as to remove all unnecessary impediments to U.S. businesses competing in the single market. One such impediment is the Tax Code's subpart F rules which encourage U.S. companies to establish inefficient, duplicative, and costly subsidiaries in each of the European Community countries.

In January 1990, the Committee on Ways and Means held hearings on the U.S. tax and international trade laws that may restrict U.S. businesses operating in the European Com-

munity. At those hearings, several business organizations and companies, including the Tax Council, the Institute for Research on Economics of Taxation, the National Association of Manufacturing, and the Xerox Corp., testified to the need for reform of the Internal Revenue Code's subpart F rules in relation to the European Community. In response to those calls for reform, I introduced H.R. 4136 in the 101st Congress, along with nine of my colleagues on the Ways and Means Committee, which would have treated the European Community as a single country for purposes of the subpart F rules. This legislation was endorsed by several business organizations including the Computer and Business Equipment Manufacturing Association, the American Electronics Association, and the Manufacturers' Alliance for Productivity & Innovation, Inc.

The bill I am introducing today at the request of U.S. companies which seek to compete more efficiently in Europe is similar in intent to H.R. 4136, but it has been modified in its particulars to address technical concerns raised last year by the Treasury Department. This legislation would make the necessary modifications to our tax laws that would provide for a more level playing field for U.S. companies operating in the European Community. In studying this problem and this particular legislative solution, it would be useful for the Committee on Ways and Means and the Treasury Department to also consider the proposal encompassed by H.R. 4136 to treat the European Community as a single country for purposes of the subpart F rules. The problems encountered by U.S. companies conducting business in Europe created by our subpart F rules are extremely complex and I believe it is essential that our tax writing committee and the tax-policy advisors in the administration fully review both alternatives in order to devise the best solution.

Under present law, U.S. multinationals are generally subject to current U.S. corporate income tax on undistributed earnings of their controlled foreign corporations to the extent those earnings constitute subpart F income. Two types of subpart F income are "foreign base company sales income" and "foreign base company services income." These rules often subject U.S.-based multinationals to current U.S. taxation on their foreign subsidiaries' undistributed profits from sales to, or services performed for, entities in other countries. For example, under these rules, a United States corporation is taxed immediately—even without repatriation of earnings—on its United Kingdom subsidiaries' income attributable to purchases of goods manufactured in the United States by the parent and sold to unrelated buyers in Germany, France, or any country other than the United Kingdom.

These subpart F rules were enacted nearly 30 years ago to deter U.S. corporations that artificially shift income to tax haven countries. Since they were enacted, the rules have included a high tax exception to subpart F taxation. Under this exception, if the earnings of a foreign subsidiary are subject to a sufficiently high level of taxation in its home country, it is deemed that the subsidiary has not been established merely to shelter income from U.S. taxation, and, therefore, the earnings are not subject to subpart F taxation—al-

though those earnings continue to be subject to U.S. corporate tax when they are repatriated to the U.S. parent corporation. Prior to the Tax Reform Act of 1986, the high tax exception was based upon a subjective test determined by the Treasury Department. In 1986, Congress replaced this subjective test with an objective test requiring that a foreign subsidiary's income is exempt from subpart F taxation if its income is subject to an effective tax in its home country that is 90 percent of the effective U.S. corporate tax rate.

Although it is generally recognized that the European Community is not a bastion of tax haven countries, it has been difficult for U.S. companies to consistently meet the 90 percent high tax exception to the subpart F rules. Timing differences created by the varying depreciation schedules, net operating losses and other country-specific rules relating to the timing of recognition of income for tax purposes are not taken into consideration of the 90-percent rule and make it difficult for U.S. companies to know whether they will meet this stringent 90-percent test each year. U.S. multinational corporations who seek to reinvest their earnings in the growing European market are encouraged to establish separate subsidiaries in each of the European Community countries in order to avoid the potential immediate subpart F taxation on their earnings prior to repatriation to the United States. As a result, there are enormous inefficiencies and duplication of operations and costs. In contrast, foreign competitors are not constricted by similar subpart F rules and therefore do not have to bear the increased costs relating to the establishment of separate subsidiaries. As a result, U.S. businesses are at a severe cost and efficiency disadvantage in competing with foreign enterprises in the European Community.

The legislation I am introducing today attempts to lessen the unnecessary barriers to U.S. multinational corporations competing in the European Community that are created by the subpart F rules. It would also ensure that the original underlying intent of these rules to prevent tax avoidance is maintained. The legislation allows for more flexibility in the objective high-tax exception test by providing that United States controlled foreign corporations or groups of controlled foreign corporations operating in the European Community would continue to be subject to the subpart F rules but that the high tax exception would be reduced from 90 to 80 percent. In order to ensure that U.S. multinational corporations that would be able to consolidate their European operations under this new rule are not adversely affected by net operating losses occurring prior to enactment, losses which can distort the 80-percent calculation in a subsequent year, NOL's from years prior to the date of enactment would not be taken into consideration for purposes of calculating the 80-percent test.

U.S. businesses operating in the European Community would not be subject to subpart F taxation on their undistributed earnings if they pay an effective foreign tax rate of more than 80 percent, as opposed to the more restrictive, current law 90-percent test. They would continue, however, to be fully liable for U.S. tax on income when it is distributed to the U.S. parent corporation. This proposal would allow

U.S. multinational corporation. This proposal would allow U.S. multinational corporations greater freedom to streamline and consolidate their European operations and to thereby enhance their ability to effectively compete in the European Community single market.

In conclusion, while it is critical that U.S. industries adapt to the new European Community single market, it is equally important that Congress make certain that our tax and trade laws do not undermine U.S. competitiveness. This legislation is an important step toward rationalizing our laws in response to the developing integrated Europe and will enhance U.S. business competitiveness in that market.

H.R. 2278, THE NATIONAL WOMEN'S REPRODUCTIVE HEALTH AND MEDICARE ACT OF 1991

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. HOYER. Mr. Speaker, today I am pleased to have the cochairs of the Women's Issues Caucus, Representatives SNOWE and SCHROEDER, as well as Representatives MINK, OAKAR, and MORELLA, join with me in introducing the Women's Reproductive Health and Medicare Act of 1990.

Women's reproductive health research is focused on critically important issues that affect both the length and the quality of women's lives. Recent reports regarding the failure to include appropriate numbers of women as subjects in clinical trials, as well as the disturbingly high rate of gynecologic-obstetric surgeries are indicative of the need to better address women's reproductive health issues.

Some 675,000—or 6.8 for every 1,000—women per year underwent surgical removal of the uterus last year. Usually the diagnosis was fibroids but was often endometriosis and chronic pelvic pain. Similarly, one in four births were by caesarian section. The research establishment and the Congress have begun to explicitly focus on research that relates more directly to women's health concerns leading toward better diagnoses, improved treatments and fewer surgeries.

Unfortunately there continues to be an inadequate allocation of biomedical research funds for women's reproductive health problems. An enhanced program of women's reproductive health research would improve the quality of life for women who might suffer from chronic and disabling conditions, including infertility, and improve life expectancy for those suffering from life-threatening diseases like ovarian cancer.

The National Institutes of Health is authorized to undertake almost any type of research, but the legislation I am introducing today would authorize the NIH to provide additional resources for women's reproductive health research.

The bill includes: \$25 million for additional ovarian cancer research. We have no effective means of detecting ovarian cancer in its early stages, and of the 20,500 women who develop the cancer only 38 percent survive beyond 5 years; \$4 million for additional re-

search on the relationship between using oral contraceptives and breast cancer—80 percent of 35-year-olds are using or have used the pill, and 150,000 women were diagnosed with breast cancer in 1990. Studies on the risks associated with the pill are inconclusive; \$2 million for additional research on fibroid tumors, which every woman has a 25-percent chance of developing fibroids over her life time, but they are three times more common among black women. Fibroids are also a leading cause of hysterectomies—580,000—and can cause fertility related problems; \$2 million for additional treatment research on endometriosis. Endometriosis causes pain, excessive cramps, bleeding and infertility. It affects 5.5 million women in America, and as many as 15 percent of women of reproductive age, and is a leading cause of infertility; \$1 million for additional research on early detection and treatment of pelvic inflammatory disease. This sexually transmitted disease affects 1 of 7 women, and nearly half of all women will have had it by the end of the decade. It is responsible for as much as 30 percent of all infertility, \$1 million for additional research on the role of the human papilloma virus on the risk of developing cervical cancer—14,000 women die yearly of cervical cancer, and 62 percent of women with cervical cancer are found to have the HPV virus, the leading candidate for causing invasive cervical cancer.

Mr. Speaker, these issues are very important, impacting on the quality and the length of women's lives. I urge my colleagues to closely examine this legislation and to support it.

WOMAN ON THE TOP OF THE WORLD

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. RICHARDSON. Mr. Speaker, in any era, Dr. Madeleine Albright would be considered an unusually accomplished person; however, we are lucky enough that she is gracing our times. She is a woman of many trades—professor, foreign affairs adviser, fundraiser, and mother, to name but a few. A Czechoslovak immigrant to this country, she gained from her international upbringing an ability to analyze and interpret other cultures to her fellow Americans. She has put this to good use in objectively advising Presidents and Congress about some of the thorniest issues of our day. I would like to show my appreciation for the gifts she has so generously shared with my colleagues and myself by having reprinted in the CONGRESSIONAL RECORD the January 6 Washington Post article about her.

WOMAN ON TOP OF THE WORLD—THE DEMOCRATS' FOREIGN POLICY EXPERT MADELEINE ALBRIGHT, MAKING HER MARK ON EASTERN EUROPE

(By Molly Sinclair)

It is midday and Madeleine K. Albright is rushing to a brown bag lunch with the women students in the Georgetown University School of Foreign Service. Her fluff of hair is swept back from her face. Her reading glasses are perched atop her head for easy retrieval. Her trademark jewelry is in place:

rings on two fingers, bracelets on both arms, earrings, necklace and jacket pin.

But something is missing. She has no brown bag. No time to buy one, and certainly no time to make one. "It'll help with my diet," she tells some of the students gathering in the conference room. They're in their twenties and are eager to have Albright, 53, start the discussion. They want to hear her tell them, woman to woman, the inside story of what it's like to work in the White House, advance in a man's world, advise a presidential candidate, influence national policy and juggle children and career.

She has plenty of stories to share. Stories of running a high-powered Georgetown foreign policy salon, of briefing Congress on American foreign policy options in the Persian Gulf, of shopping for T-shirts in Times Square with Vaclav Havel. "I have had this fantastic life," says Albright. "For someone like me, who came to this country when I was 11 years old, to end up working in the White House and having all these amazing opportunities—I mean I am kind of this American story. This is an amazing country. The fact that I can do things with Czechoslovakia, and more important, have a role on the American political process, is totally stunning to me."

Madeleine Albright is a Czech-born intellectual who has emerged as one of the leading foreign policy spokesmen in the Democratic Party. Politically, she is a pragmatic, middle-of-the-road Democrat who specializes in U.S.-Soviet relations and Eastern Europe. Personally, she is a 1950s woman of upper-class privileged background and superior education.

At Georgetown University, Albright is a research professor of international affairs and the director of the Women in Foreign Service Program. Today's brown bag lunch—a part of the women's program that she was hired to set up—gets underway when Albright moves her chair to the middle of the conference room and begins to talk. "I had to learn to speak out for myself," she tells the students. "I would be in a White House meeting and I would think of something and not say anything because I wasn't sure that it would add to the discussion. Then some man would say what I had been thinking and it would be hailed as a great idea."

Knowing laughter sweeps the room. One student had a question. How does a woman learn to overcome her fear of speaking out?

It's like playing tennis," Albright answers. "You just do it. There are lots of shy people in the world and they don't go anywhere." In her classes, she says, students don't raise their hands, they just jump in.

"Women have to learn to interrupt," Albright says.

Before she learned to interrupt, Madeleine Albright had a conversation that led her to rethink her professional future. This was in the early 1960s, when she was married to Joseph Medill Patterson Albright, the son of a wealthy newspaper family. She, too, aspired to a newspaper career. Then she had a talk with her husband's editor at the Chicago Sun-Times.

Here's how Albright recalls the conversation:

"He said, 'Honey, what are you planning to do?' And I said, 'I am planning to be a reporter.' . . . And he said, 'Guild regulations will prohibit you from having a job at the Sun-Times and our general feeling about a spouse working at a competitive newspaper will prevent you from getting a job at another newspaper, so honey, why don't you think of another career?'"

Albright, on that occasion, complied.

"It made me mad, but not mad enough to fight, which I would do now, and I would expect my daughters to. It was 1960 and I was happily married to the man of my dreams. As it turns out, it was very lucky, because I would have been a lousy reporter and I think I am pretty good at what I do now."

Albright found a job in Chicago on the public relations staff of Encyclopaedia Britannica. She quit that to move with her husband to Long Island, where he worked for Newsday. Their twin daughters, Alice and Anne, were born there in 1961; a third daughter, Katharine, was born in 1967. The family moved again in 1968, this time to Washington, where Joe Albright became Newsday bureau chief.

As a young mother, Madeleine Albright did the usual cooking, sewing and car pooling. But with housekeepers to help with the children, she was able to attend graduate school at Columbia University. She completed her master's degree and a certificate in Russian Studies in 1968. It took her another eight years to finish her PhD. Albright also found time to do volunteer work. She became so good at raising money for Beauvoir School, her daughters' private school at the Washington Cathedral, that another parent asked her to help with a fund-raiser for Sen. Edmund S. Muskie's campaign for president in the early 1970s.

She landed her first paying political job in 1976 as chief legislative assistant to Muskie. She was 39 years old.

"I had just received my PhD," Albright says. "That made it possible for Senator Muskie to introduce me as Dr. Albright, instead of Madeleine Albright, little housewife."

She worked for Muskie for two years, then for national security adviser Zbigniew Brzezinski, one of her former professors, until the Democrats were ousted in 1980. The timing couldn't have been worse. Soon after she lost her job, her marriage broke up.

"It was a shock," Albright said. "Most of Washington knows that Joe left. I was very upset. I had been married for 23 years and I did not want a divorce. But life goes on. I'm over it."

In 1982, Albright was appointed to the faculty at Georgetown. She loved working with students but wanted to get back into politics. Her chance came in 1984 when Walter Mondale drafted her to serve as foreign policy adviser for his running mate, Geraldine Ferraro.

In the 1988 presidential election, Albright worked for Michael Dukakis as his senior foreign policy adviser. She was with Dukakis constantly; virtually anyone who wanted to see him about a foreign policy issue had to go through her.

"He would call early in the morning and we would talk over what was in the news," Albright says. She wrote many of his speeches during the campaign, including the Chicago address in which he said the United States needed to develop a new relationship with the Soviet Union and to deal with Mikhail Gorbachev in a more realistic way.

Today, Albright is more influential than ever as president of the Center for National Policy, the Democrats' premier think tank. Top Democrats say that if the party regains the White House, she would be a natural candidate for national security adviser. Some think she could even become the first woman secretary of state.

"If we're going to make these things unisexual, then Madeleine ought to be at the head of the line," says Muskie. "She has the

ability. She is as credible, as on top of emerging foreign policy, as anyone I know."

Even Republicans such as former Reagan national security adviser Richard V. Allen applaud Albright. She is a "a serious person who can give Democrats some of the straight facts, which they seem to so sadly lack, especially in the field of foreign policy," says Allen.

Congress also calls on Albright to discuss important policy issues.

"She is one of the people we turn to for advice and perspective," says Frank Sieverts, a spokesman for the Senate Foreign Relations Committee. And, Sieverts says, Albright conducts meetings "right here on the Hill at which senators, congressmen and senior staff aides are brought together with significant visitors, such as the leadership of the Eastern European countries."

In early October, Albright was one of three experts invited to brief a roomful of congressmen on American options in the Persian Gulf. The Bush administration, she said, has three options in the gulf: "Shoot, sit or negotiate." She said that it is important for the United States to "think through the fight scenario" because there is little to keep Saddam Hussein from "setting off chemicals before we finish him."

Albright believes that sanctions can work. She opposes going to war. She believes that the gulf crisis has become "much too personalized between George Bush and Saddam Hussein." She favors negotiations and multilateral action. And she is gratified that Bush, who repeatedly attacked Dukakis in the campaign as an about-face and in effect took an internationalist approach to the gulf crisis by turning to the United Nations and to the Europeans for help in confronting Hussein.

Albright was one of the earliest to call for congressional hearings on the crisis. During the hearings, leading Democrats broke with the administration, asserting that the country should avoid military action for now and let the sanctions have more time to work.

THE LITTLE GIRL IN THE NATIONAL COSTUME

The daughter of a Czechoslovak diplomat, Marie Jana Korbel (nicknamed Madeleine by a grandmother) had a childhood of cultural adjustments. In the first nine years of her life, she lived in London, Prague and Belgrade.

That kind of bouncing around made her a better person, Albright says. "I make friends very easily. I think it has to do with that fact that I lived in a lot of different countries, went to a lot of different schools and was always being put into situations where I had to relate to the people around me."

Those people included a parade of high government officials.

"You know the little girl in the national costume who gives flowers at the airport? I used to do that for a living," Albright says.

She had attended English schools during the war. In Belgrade, she had a governess because her father didn't want her attending school with communists. When she was 10, she went to a boarding school in Switzerland. She already knew Czech and English. At the boarding school, she says, "in order to eat, I learned to speak French."

All of that helped prepare Albright for the family's flight from the communists who took over Czechoslovakia in 1948. After leaving Eastern Europe, her anti-communist father learned that he had been sentenced to death in absentia for political crimes against the communist-controlled state.

The Korbels settled in Colorado, where Josef Korbel joined the faculty of the Uni-

versity of Denver and eventually became dean of the graduate school of international studies. He died in 1977.

Albright's mother, who died in 1989, had a good educational background but didn't go to college. Albright remembers her parents as a "fabulous team" in Denver. "Students loved to come to their house where my mother provided the ambiance and did palm reading and my father was a great intellectual humanist."

When Albright is asked about her mentors, she lists her father first. She followed him in choice of career, and she only remembers having one showdown with him. He won.

"He insisted I take a scholarship to go to this very small private [high] school," Albright says. "I was one of 16 students in the graduating class. It did give me a tremendous education, and then I went to Wellesley on a scholarship."

Home from college in the summer of 1957, Madeleine found a job working in the morgue at the Denver Post. That is where she met Joe Albright, who was working there as a reporter. The couple married in 1959, three days after she graduated from Wellesley with honors.

She sees herself as a beneficiary of the women's movement. "I went to a women's college," she says. "And at a time when people were interested in advancing women, I had the right credentials." She also feels that women should help other women. "In my galaxy of people I have no use for, it is women who don't help other women," she says in an interview. She says it again at the brown bag session.

When asked about the decisions that women must make when combining careers and families, Albright offers this counsel: "My advice to my own daughters is to make choices that don't close doors. You have to think about the choices. The hard part is when you become a victim of a decision you didn't think about."

MEETINGS OF THE MINDS

When the Albrights' marriage collapsed in 1982, she got the Georgetown house.

It is here in this red brick town house that Albright today presides over her foreign policy salon, drawing a carefully balanced mix of politicians and academics to debate and analyze the great issues of the day.

Albright's scholarly dinners are in sharp contrast to the Georgetown salons once attended by such social notables as the late Alice Roosevelt Longworth, who kept a needlepoint pillow that said, "If you haven't got anything nice to say about anyone, come and sit here by me." The Albright dinners instead are intended to provide an environment for people to talk about the politics of policy-making. "These are working dinners where people can surface their ideas to see what their validity is," Albright said. "People don't feel it is a confrontational setting; they feel it is a comfortable setting."

The evenings typically begin with drinks in the living room and then move to the dining room for a sitdown meal around a table that can comfortably seat 14. The Portuguese housekeeper prepares the meal, usually something simple like chicken curry with a flan dessert.

"People don't come for the food," Albright says.

In early September, after the Iraqi invasion of Kuwait, Albright telephoned a group of people to come to her house for dinner and a discussion on appropriate Democratic reaction.

Among the guests were Capitol Hill foreign policy staffers, including two people from

Rep. Dick Gephardt's office, representatives from the staff of the Senate Foreign Relations Committee, some academics who teach about the Middle East, policy specialist Jessica Tuchman Mathews, and a few political types such as longtime activist Richard Moe. Wendy Sherman and Anne Wexler, who both serve on the board of the Center for National Policy, were also present.

The discussion began with Albright providing introductory remarks, said Moe, who has been to many of these dinners in the Albright home. "She thinks about it [the issue for the evening] ahead of time and usually starts with a five-minute scene setter. She asks questions and tries to get people to respond. It's not hard because these are people who have ideas and who want to talk about them. She will try to lead the discussion in a direction. If it lends itself to a conclusion, fine. Sometimes it does and sometimes it doesn't."

On this evening, Moe says, there was no conclusion.

HAVEL'S RIGHT HAND

The ability to make and maintain friendships has been an important factor in Albright's move up the political ladder.

While she was researching her PhD dissertation, friends put her in touch with Jiri Dienstbier, who had been chief correspondent for Prague radio during the 1968 revolt that was suppressed by Russian troops.

"He spent a lot of time in my living room, helping me understand the role of the press," Albright says.

Dienstbier returned to Czechoslovakia in 1969. Twenty years later, as democracy blew through Eastern Europe, Albright heard a news bulletin announcing that her old friend had been named foreign minister in the new government. She telephoned him at once. It was he who arranged for her to meet the new president, Vaclav Havel. During her visit with Havel, Albright learned that he was coming to Washington the next month. She told his staff she would be glad to help. Then she packed her bags and headed home.

"All of a sudden I get this call saying yes indeed they would love to have some help," Albright says. "So I pulled some people together."

Her Georgetown home became a working office. Bedrooms were turned over to advance men. Volunteers, many of them students, hustled about. It was a repeat of the 1988 Dukakis campaign, only this time the computer copier and fax were humming for Havel. And when the phone rang, a student answered: "Havel advance."

Hours after Havel arrived in Washington for his first state visit, she met him at the Czechoslovakia Embassy. She went over his schedule with him, point by point, answering questions and giving him tips about the American political leaders he would meet in the White House and in Congress.

Havel was impressed. When he went on to New York, he asked her to come along. She found herself serving simultaneously as adviser, interpreter and, very quickly, friend.

One evening the New York Review of Books hosted a party for Havel, a playwright, in the Beaumont Theater. "Havel kept saying to me, 'Stay here, you've got to do translating for me.' And all of a sudden I look up and I am translating for the following group: Arthur Miller, William Styron, Edward Albee, Norman Mailer and Havel. And they are talking about who has read what of whose book and what they thought about it."

"And I thought, 'I do not believe this.'"

Later, Henry Kissinger came up, and Albright had the delicious pleasure of being introduced as Havel's adviser. "Kissinger looked completely shocked," she reports.

The transcontinental meetings with Havel continued. When Albright went to Prague in May, she stayed as a guest in the residential wing at the Castle. In August, Albright got a telephone call from Havel inviting her to join him, his wife and his foreign policy adviser in Bermuda. She sums the visit up as "the most stunning two days of my entire life."

She points to a photograph on her office wall, showing her and Havel seated together on a stone wall set against a vibrant blue ocean. He is wearing a Rolling Stones T-shirt.

"We spent the time talking about the stars, and we talked about his writings, and we talked about American politics, and we talked about Eastern European politics and we talked about Gorbachev. It was two days of solid talking."

Albright's most recent meeting with Havel was in October in New York City. After they finished going over his speech to the United Nations, Havel suggested a walk to Times Square, which he hadn't seen since 1968.

Their group of about eight people, including the ambassador, hit the pavement around 11 o'clock on a Saturday night. A T-shirt vendor recognized Havel, who scribbled his autograph and then selected two T-shirts—one that said "I Love New York" and one embossed "Hard Rock Cafe." Albright suggested that they end the evening with drinks at the Algonquin. There, the president of Czechoslovakia downed his first glass of Southern Comfort.

Back in her Washington office, Albright reflects on how the pieces of her life are finally coming together. Her heritage. Her academic research and her practical political savvy. Her work at the Center for National Policy, Georgetown University, the National Democratic Institute.

Yet there is plenty left to do, she says. Such as? "I would like to help elect a Democrat president, of course," Albright says. Anything else? "Lose weight."

CENSUS UNDERCOUNTED HOMELESS

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. VENTO. Mr. Speaker, today I am introducing a resolution to help make sure the homeless are not neglected due to the undercount by the Census. This resolution is a preemptive warning to the Federal agencies responsible for serving the homeless that the Census numbers are inadequate and should by no means be used to distribute homeless assistance funds or to develop public policy.

It is necessary to take this action now because once a number is affixed to paper it somehow takes on a life of its own and before you know it becomes a bureaucratic truth. The Census Bureau itself has acknowledged the inaccuracy of its homeless count which took place on "S-Night" (March 20-21, 1990). The S-Night count was a blurry snapshot of the shelter and street homeless population on one

night in 1990. It is obviously an extremely limited counting method and did not take into account those homeless families and individuals who are doubled up in one home, transients, hidden street populations, or those in transitional housing.

Along with census enumerators, homeless advocates, and others, I testified before a joint hearing held by the House Subcommittee on Census and Population and the Senate Subcommittee on Information and Regulation to underscore the problems with the count. I am pleased to report that Chairman TOM SAWYER of the House Census and Population Subcommittee has joined me as an original co-sponsor of the resolution.

Testimony by the Director Barbara Everett Bryant of the U.S. Census Bureau makes it clear that the S-Night count should not be used as a count of the homeless population. S-Night was not a count of the homeless, it was designed to include individuals in the census who might not have been counted under standard census procedures, according to Director Bryant. In her testimony she stated: "As we have been careful to point out since the inception of planning for S-Night, these figures do not represent a count of the total population of homeless persons at the National, State or local levels, nor were they ever intended to. They should not be characterized as such. There will be no count of the homeless population from the 1990 census."

Despite the clear intent of the S-Night count, some Federal agencies are determined to misconstrue the facts and use the number for other purposes. That is why it is important for the U.S. Congress to go on record now in opposition to the use of these arbitrary numbers in determining public policy or allocating funds.

We must remember that there are real people behind these numbers. Every homeless person not counted is another human being that has been overlooked. My resolution will help make sure that just because the Census Bureau overlooked them, they will not be ignored by the Federal Government.

I urge my colleagues to support this resolution.

Following is the text of the resolution:

H. Con. Res. 150

Whereas in carrying out the 21st Decennial Census in 1990, during the night of March 20 through the early morning of March 21, the Bureau of the Census conducted a count of the number of homeless persons at shelters and selected street sites;

Whereas the count conducted during that night is commonly referred to as the "S-Night count";

Whereas in carrying out the "S-Night count" the Bureau of the Census did not intend to and did not accomplish a complete count of the population of homeless persons in the United States;

Whereas the census enumerators did not attempt to count homeless persons occupying boxes, cars, vans, bushes, abandoned buildings, or shantytowns;

Whereas the "S-Night count", by design, did not count homeless individuals and families staying with family or friends, in substance abuse or detoxification facilities, or in campgrounds;

Whereas the "S-Night count" was conducted at selected sites in only 14,200 of the 39,000 local jurisdictions in the United States

originally contacted by the Bureau of the Census;

Whereas an independent assessment indicates that of the homeless shelters identified by homeless advocates and service providers, 65 percent of such shelters were not included on the lists compiled by the Bureau of the Census for use in the "S-Night count";

Whereas the Bureau of the Census commissioned 5 assessments to help determine the accuracy and thoroughness of the "S-Night count", in which monitors were stationed at designated sites to be counted by the enumerators;

Whereas the assessments show that the monitors were probably not counted by census enumerators in the following percentages—98.4 percent in Chicago, 70 percent in Phoenix, 54 to 70 percent in Los Angeles, 64 percent in New York City, and 34 percent in New Orleans;

Whereas the coverage of homeless persons in the "S-Night count" was inconsistent from community to community and there is no known statistical method for determining the extent to which homeless persons were undercounted;

Whereas there are numerous reports that, in conducting the "S-Night count", the homeless populations of entire communities and shelters were not counted; and

Whereas widespread complaints have been made of inadequate training of census enumerators involved in the "S-Night count" and failure of such enumerators to follow instructions: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the enumeration of selected components of the population of homeless persons in the United States conducted by the Bureau of the Census in 1990 should not be used by the Federal Government or State or local governments in any manner to establish or determine public policy or allocate assistance amounts; and

(2) a commission should be established to determine appropriate measures of homelessness for the purposes of determining public policy and allocating assistance amounts.

OUT OF SIGHT CAN'T MEAN OUT OF MIND

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mrs. JOHNSON of Connecticut. Mr. Speaker, today I am introducing a revised version of my Municipal Incinerator Ash bill. In an attempt to address the need for an environmentally safe plan for the disposal of municipal incinerator ash, I introduced legislation in 1988 and 1989 that would have directed the U.S. Environmental Protection Agency [EPA] to promulgate regulations for the safe disposal of ash. Since the House did not act on this legislation, I am offering a new version of my ash bill that will encourage the production and reuse of clean ash and thereby reduce the demand for landfill space. As we work toward reauthorizing the Resource Conservation and Recovery Act [RCRA], I believe we must make every effort to foster waste minimization and the reuse of waste materials.

Connecticut is a national leader in implementing a statewide, curbside recycling pro-

gram. The list of items required to be recycled is justifiably long: glass food containers, metal food containers, newspaper, commercial office paper, cardboard, waste motor oil, scrap metal, vehicle batteries, and leaves. The goal of these recycling efforts is to reduce the solid waste stream volume by 25 percent. But this still leaves 75 percent of the waste stream, nearly 2 million tons per year of trash and garbage in Connecticut, to be disposed of in an environmentally safe manner. In the Sixth District of Connecticut, nearly two-thirds of the 45 towns participate in either the Ogen-Martin resource recovery operation in Bristol or the Connecticut Resources Recovery Authority plant in Hartford's South Meadows. At these facilities solid waste is used as fuel and energy is recovered. The volume of solid waste is thereby reduced by as much as 90 percent, and its weight by as much as 70 percent. The resultant ash from these plants is disposed of in separate cells at area landfills.

Today's bill builds on the previous bills by adding incentives for waste segregation, the exclusion of certain items from the waste before it is incinerated. By removing items that, after incineration, yield or leave substances that are potentially hazardous or make the ash more difficult or expensive to handle, the ash that is produced is safer. This bill requires solid waste to be managed pro-actively before incineration. By encouraging clean ash and providing grants for research on safe ways to reuse ash in the production of products and materials, the bill aims to dramatically reduce the amount of ash we have to landfill.

However, when disposal is necessary my bill assures it will be environmentally safe. The EPA would be directed to write regulations that require waste segregation, set operation and maintenance standards for incinerators, and establish management and handling requirements for ash. In addition, EPA may require resource recovery—the recovery of materials—from the ash, or the treatment of ash before disposal. The ash may be buried only in properly designed and constructed ash monofills with single liners, mixed with solid waste in double lined landfills, or placed in natural geologic settings that are demonstrated to be equally protective of the environment. Both the monofills and landfills would be required to have leachate collection systems and all three would have to have ground water monitoring systems.

Alternatively, incineration facilities would be allowed to forego waste segregation and resource recovery requirements before incineration if the ash is subjected to scientific tests to determine if the ash poses an unacceptable environmental risk. If the ash fails the test, it must be treated until it passes the test, or will be deemed to be hazardous and must be treated and disposed of in a permitted facility.

The bill would require EPA to develop guidelines so people can mine previously buried ash and use it in the production of economically valuable materials and products. In tomorrow's world, frugal use of resources must include responsible reuse of yesterday's trash.

Last, the bill would provide matching grants to States for waste segregation and resource recovery programs. These moneys would be made available to local governments and busi-

nesses for technical assistance, information dissemination, and training purposes.

I want to stress that the bill does not give preference to solid waste incineration or resource recovery over waste minimization, reuse, or recycling. Even with success in all these areas, society still will need to dispose of the remaining solid waste and an increasing percentage of it will be incinerated. This bill will ensure that the resultant ash is handled in an ecologically sound fashion and create certainty within the regulated community as to the ground rules for incineration operations, thereby allowing the owners of such facilities to make long-term capital investments necessary to improve the efficiency of these facilities.

The bill sets standards that are protective of the environment and economically pragmatic. Congress needs to play a leadership role in breaking the logjam currently besetting the Nation's solid waste disposal activities. I am pleased by the increasing level of recycling activities across the country, but we can't lose sight of what we still put in our trash cans and eventually into landfills. Recycling is a giant step in the right direction, but not a total solution to the problem. Out of sight can't mean out of mind.

HELP CONSUMERS: EASE PEANUT IMPORT BAN

HON. RICHARD K. ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. ARMEY. Mr. Speaker, it will come as no surprise to this body that I express my dissatisfaction with the ill-advised, archaic, and costly Peanut Program. Today, though, I want to ask my colleagues to help this program out of a crisis created by itself, and by the Department of Agriculture. I'm talking about the peanut shortage that has existed since last fall, doubling wholesale peanut prices, which were already too high thanks to the Price Support Program.

On October 12, 1990, peanut processors asked the Government to open up our import quota—a virtual ban—to allow imported peanuts to make up for the shortfall. For 6 months, industrial users and retail consumers have now been paying unconscionable prices for peanuts and peanut butter while the U.S. Department of Agriculture, whose views are critical to this process, has refused to act in favor of the request. But though apparently not high enough for U.S. consumers, peanut prices were obviously high for the Department itself, which simply got out of the business by dropping peanut butter from its school lunch and needy programs last winter.

Well, the most disadvantaged in our society don't have that kind of choice when one of the most low-cholesterol, high-protein foods is dropped from their diet. And it's no way to run an economy. The result of the USDA's inaction is that dozens of companies have simply stopped producing peanut butter. Purchases of wholesale peanuts for peanut butter this March dropped 33 percent over March of last year. You've all received a peanut butter sandwich from the consumer alert advocate

fund today. It is fast becoming a luxury item instead of a nutritious low-cost food it was meant to be.

Six weeks ago, the International Trade Commission recommended that the President open the peanut quota to permit imports for the next several months remaining before next year's peanut crop. This would stimulate production and lower prices closer to the support levels.

So far, however, despite the weight of public opinion and commonsense favoring such an action, the President has done nothing. I urge my colleagues to let the White House know that this kind of wait-it-out attitude is not an advisable policy when we should be trying to become more productive, not less productive, trying to persuade our trade partners to be less protectionist, not setting a bad example, and trying to cushion, not aggravate, the effects of this recession on small businesses and the disadvantaged.

Mr. Speaker, I'd like to have included in the RECORD recent editorials from the Washington Post, Richmond Times-Dispatch, and the New York Times, all of which find this situation as intolerable as I do.

[From the New York Times, Apr. 21, 1991]

LUNCH WITHOUT PEANUT BUTTER

Peanut prices have doubled in the U.S. since summer, driving up the price of peanut butter, candy and baked products. That has forced the Agriculture Department to drop peanut butter—an excellent cholesterol-free source of protein—from the school lunch program.

Most observers blame a production squeeze caused by severe drought and plant disease in the Southeast for the high prices. But nature is not the chief villain in this story; Congress is. Laws dating from the 1930's virtually ban imports of raw peanuts and prohibit farmers from expanding U.S. sales. The absurd system forces American shoppers to pay prices 50 percent above world levels: it's become cheaper for some companies to import processed peanut butter rather than manufacture it from home-grown peanuts.

The archaic regulations enrich 45,000 "farmers" who inherited or bought production licenses, most of which were issued during the Depression. Half of the current owners aren't poor farmers eking out subsistence from unforgiving land. They are absentee landlords renting their licenses for exorbitant fees.

This is a problem with a simple solution. The President could suspend the import ban, as the U.S. International Trade Commission recently recommended, allowing U.S. food processors to buy peanuts at low international prices. That would help millions of U.S. consumers. It would also help poor peanut growers in third world countries like Senegal and Ghana to earn a decent living. And it would let the Agriculture Department restore peanut butter to the lunch tables of schoolchildren.

[From Richmond Times-Dispatch, Apr. 23, 1991]

FREE THE PEANUTS

Peanut butter lovers may have noticed a sharp increase in the price of the nutritious spread in recent months, about 22 percent in the first quarter of 1991 alone. But neither grocers nor packers are to blame. A government-created peanut shortage is what lies behind high prices.

The federal government closely regulates who grows peanuts for sale as food in the United States, and it almost completely bans the import of food peanuts. In order to grow food peanuts a farmer must have a federal license, and such licenses are hard to come by since they are distributed on the basis of who was growing peanuts half-a-century ago. As for imported peanuts, assault-rifle smugglers might have better luck. It is in fact easier to import a handgun than it is to import peanuts.

This Soviet-style regulation is intended to keep supplies short and prices high, and in that endeavor it is an overwhelming success. Peanut license holders get inflated prices for their crops and regulators are kept busy, but the lowly consumer just has to dig deeper in his wallet—about one-third deeper than his European counterpart. Considering the heavily regulated and subsidized nature of European farming, that takes some doing.

The federal International Trade Commission recently took a look at all of this and recommended that the ban on imported peanuts be lifted. The Bush administration is expected to make a quick decision.

We hope that the decision will not be left to the Department of Agriculture, which long ago was taken prisoner by farm interests. The department continues to insist on quotas and other programs that drive up food prices while at the same time handing out food stamps to the poor who suffer the most from its programs.

The time has come to abandon Soviet-style peanut regulation. Peanut butter is a staple in millions of households, and in many of them its protein substitutes for meat. But thanks to the ban on imported peanuts and domestic peanut quotas, a pound of peanut butter costs more than a pound of ground beef, and a pound of shell peanuts costs more than a pound of chicken.

Some peanut farmers would protest that they cannot make money at market prices, but even if true that would only indicate that at least some of them ought to be growing other crops. Peanut growers outside the United States manage to make a living at market prices, and we believe American farmers could, too. As long as people are willing to buy peanut butter, there is money to be made in peanuts.

[From the Washington Post; Apr. 25, 1991]
NUTS TO WHOM?

The peanut program contains no additives, artificial coloring or flavoring. It is 100 percent pure protectionism. Only a limited number of farmers whose grandfathers did it before them are permitted to produce for the U.S. market, and imports are virtually banned. The Government props up prices by calibrating supply.

Last year a drought in the major southeastern producing states caused the system to go awry. There were plenty of peanuts in the world, but here a shortage drove up prices to such an extent that a group of peanut butter manufacturers and other processors petitioned the government for relief. A month ago the International Trade Commission, a government agency, recommended to the president over the growers' objections that he let in some foreign peanuts to satisfy demand. The president has yet to be heard from.

The symbolism of his decision will be more important than the substance. The current crop year is already two-thirds over. The proposed imports will scarcely have time to make a difference before the new crop will arrive and prices likely return to normal

anyway. Meanwhile the government has suspended purchases of peanut butter in favor of cheese for the school lunch program, but the peanut butter and jelly sandwich probably remains about as much a staple of the American juvenile (and not so juvenile) diet as ever.

It is not so much that relief should be granted this year as that the entire program should be scrapped, along with a lot of other costly and anti-competitive practices not just in U.S. agriculture but worldwide. That is the stated goal of the Bush administration in the currently on-again world agricultural trade talks. It would presumably be a feature of the free trade agreement that the administration envisions with Mexico as well.

If the president doesn't follow the ITC's recommendation on peanuts, he risks looking as if he is practicing one thing on trade while preaching another. In fact that is what he would be doing. But if he does follow the recommendation, aides fear that he will incur the opposite risk of giving opponents of the two trade agreements an instant example to point to; this is what will happen if you denude your industry too.

From the tiny peanut a mighty precedent thus grows, if the president doesn't let more peanuts in, he'd better have a pretty good reason. There's more at stake than the temporary price of peanut butter.

H.R. 904

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Ms. WATERS. Mr. Speaker, I rise today, along with my colleagues, in support of H.R. 904, introduced by my friend and colleague Mr. LEWIS of Georgia. This bill would direct the Secretary of the Interior to prepare a National Historic Landmark Theme Study on African-American history. I would also like to commend the acting chairman of the House Interior Committee, Mr. MILLER, and the subcommittee chairman, Mr. VENTO, for bringing this important legislation to the floor in such an expeditious manner.

The African-American History Landmark Theme Study Act would direct the Secretary of the Interior to identify national historic landmarks, structures, sites and landscapes depicting and commemorating significant themes in African-American history. The Secretary along with African-American history scholars would determine whether historical landmarks related to African-American history would become national parks.

Mr. Speaker, the lack of historical sites and landmarks recognizing the achievements of African-Americans is striking. The historical site act of 1935 established the national historic landmarks program and since its inception, approximately 2,000 have been designated as national historic landmarks. Unfortunately, the number of national historic sites directly associated with the rich history and accomplishments of African-American history is small. Of the 1,967 sites recognized by the National Historic Landmark Program, just 88 of these sites, reflect directly on the culture and history of African-Americans, and only 2 percent of the 357 national park sites are African-American related.

Mr. Speaker, many notable African-Americans have overcome slavery desolate and poverty stricken backgrounds to carve an eternal niche in the annals of American history. From a slave cabin in Virginia, Booker T. Washington rose up to become one of our Nation's great educators; from the red hills of Georgia, Roland Hayes rose up to become one of our greatest singers; from humble poverty stricken circumstances in Philadelphia, PA, Marian Anderson rose up to become one of the world's greatest contraltos; from meager economic childhood conditions George Washington Carver made scientific discoveries that revolutionized our agricultural industry; and there was a bright star in the American sky of women leaders when Mary McCloud Bethune raised the consciousness of Presidents. Mr. Speaker, this is just a small sample of many often overlooked African-American achievers.

And so today, like several of my colleagues, I rise in support of H.R. 904 The African-American History Landmark Act and I urge my colleague's support.

A TRIBUTE TO McMINN COUNTY EMERGENCY MEDICAL PERSONNEL

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. DUNCAN. Mr. Speaker, the week of May 12, 1991, is Emergency Medical Services Appreciation Week.

Therefore, I rise in tribute to the EMS personnel at Woods Memorial Hospital in Etowah, TN.

These dedicated and well qualified people give of themselves every day in an effort to save lives. If it weren't for the EMS personnel in this country, many more American lives would be lost in accidents each year.

EMS personnel serve on the front lines of medical care, and those who serve in the Athens area deserve special recognition and thanks.

Next week, more than 30 EMS personnel from Woods Memorial will be recognized for their service. Several workers will receive the Outstanding Service Medal, some will be awarded the EMS Medal of Valor, and one will receive the Chief's Achievement Medal.

Additionally, others will be awarded Certificates of Appreciation and the Lifesaving Medal for their lifesaving activities during the past year.

Many EMS personnel from McMinn County and from Woods Memorial distinguished themselves on December 11, 1990, when they responded to the Calhoun-Interstate 75 disaster in which sudden fog on the highway caused a terrible automobile pile-up with many deaths and injuries.

If it had not been for the quick, professional response of local EMS personnel such as those from Woods Memorial, the tragedy that day would have been even more disastrous.

Mr. Speaker, I congratulate all the EMS personnel who responded on December 11, and I express a heart-felt thanks to their dedicated service during this EMS Appreciation Week.

THE PRIME PENSION BILL

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. MOODY. Mr. Speaker, I am happy to join my colleagues JOHN LAFALCE, ANDY IRELAND, chairman and ranking member of the Small Business Committee, and ROD CHANDLER, a colleague on the Committee on Ways and Means, in introducing a bill to encourage the creation of pension plans for the employees of small businesses.

A major goal of this legislation is to fill a gap in the present retirement system—the small business sector. In 1990, there was a 50 percent drop in the creation of new defined contribution plans, and a 29-percent increase in terminations of existing plans. Only 1,800 new defined benefit plans were created last year, one-tenth as many as were terminated: 17,000.

The major part of this gap is in the small business sector. This is not because small employers are less willing to provide retirement benefits to their employees. It is not because small businesses are not profitable enough to offer some sort of retirement benefits.

The main reason for this gap is the expense in paperwork, complex reporting requirements, and other regulatory burdens that the law demands for those offering pension benefits. The result is 35 million Americans work in small enterprises without access to private pensions of any kind.

America's retirement income system is supposed to stand on three legs: Social Security, personal savings, and pensions provided through an employment relationship. This bill will restore stability to what has become a wobbly and uncertain system.

The legislation we are offering today will cut through this regulatory labyrinth to the benefit of small business owners and small business employees. It will allow any employer to participate in a pension program without having to constantly worry about meeting some bureaucratic nicety.

The present law makes it too costly for employers with fewer than 100 employees to offer pension benefits. Our bill will allow them to offer their employees the chance to open a "PRIME Account" through tax-free payroll deductions of up to \$3,000 per year. The employer would make matching contributions equal to the employee's contributions up to 3 percent of salary.

The bill will also permit employers with between 100 and 250 employees to enter this new program so long as they have not offered any other pension or retirement benefits during any of the previous 5 years. This will prevent companies from terminating existing plans to try to get out from under regulations with which they are clearly able to comply.

The PRIME Account is similar to an IRA or 401(k). Thus, there would be penalties for withdrawals prior to retirement—the goal, after all, is to make people more financially secure in their golden years.

All employees who work at least half-time would have to be eligible for any to participate,

so that there could be no discrimination. An employee may choose to withdraw from the program at any time. Employers must start the matching contribution no later than 6 months after the employee joins the plan.

Mr. Speaker, this bill is similar to the one introduced in the Senate earlier this year by Senator ROBERT PACKWOOD and 13 other Senators on a bipartisan basis, including Finance Committee, Chairman BENTSEN. With this type of support, and the administrator's commitment to pension reform and simplification, I am confident that we can pass this bill into law.

THE PRIME RETIREMENT
ACCOUNT ACT OF 1991**HON. ROD CHANDLER**

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. CHANDLER. Mr. Speaker, the golden retirement years of the American worker is at risk. In short, the excessive complexity that exists in current law is discouraging the expansion of private pension coverage, particularly for small businesses and their employees. For that reason, I am pleased to join today with Representatives LAFALCE, IRELAND, and MOODY in introducing the PRIME Retirement Account Act of 1991.

The Nation's private retirement system has, for the most part, been very successful. As of May 1988, 60 million workers in this country were covered by an employer sponsored retirement plan. While this statistic is impressive, there is still a large gap in our private retirement system—small businesses. Fewer than 25 percent of all small business employees are covered by an employer sponsored retirement plan, while 80 percent of those employed by large companies are covered. In most cases, the greatest obstacle to the establishment of a plan is the costly and burdensome administration required under current law.

The PRIME account bill provides us with a unique opportunity to correct this disturbing situation. It does so by removing many of the obstacles that discourage many small employers from offering their employees retirement benefits. These obstacles include complex rules that require employers to cope with cumbersome testing and form filings. Small employers have neither the financial nor human resources necessary to comply with this myriad of complex mandates. Unfortunately, this translates into reduced retirement security for millions of American workers. So, while simplification of current pension laws is desirable for employers of all sizes, it is critical to the employees of small businesses who wish to save for their future.

The PRIME account bill we are introducing today combines the best aspects of individual retirement accounts [IRA's] and 401(k) plans, and should be equally attractive to both employers and employees.

For employees, the bill allows tax deductible contributions through payroll deductions, up to a maximum of \$3,000 a year. These contributions are deposited into a PRIME account in

each employee's name. Employers must match each employee's contribution, dollar for dollar, up to a maximum of 3 percent of compensation that the employee contributes to the PRIME account. Employees will retain total investment discretion and all contributions are fully vested, with most of the current IRA rules applying to the funds that are placed in the PRIME account. This generous contribution formula will encourage many employees who would otherwise not save to take greater responsibility for planning for their own retirement.

For employers, the bill will eliminate the need for costly and complex recordkeeping and the filing of lengthy Federal forms. Instead, the financial institutions selected to maintain the employees' PRIME accounts will be responsible for supplying all of the necessary documentation. Relief from these administrative burdens will encourage many employers, particularly small employers, to offer their employees these valuable benefits.

Many of the rules under current law are intended to insure that low- and middle-income workers receive at least a minimum level of benefits from an employer sponsored pension plan; a goal I wholeheartedly support. With that concept in mind, our PRIME account bill is designed to incorporate many features that will make it equally attractive to all employees, regardless of their income. I am confident that the PRIME account will give many low- and middle-income workers the opportunity to save for their retirement—an opportunity that is not currently available to many of them.

Small business groups are enthusiastic about the PRIME account and its potential to expand pension coverage to employees of smaller firms. In addition, most of the major banking and mutual fund associations also support the PRIME account bill. The support of these and other financial service providers will help ensure the PRIME bill achieves its objectives.

Too often, Mr. Speaker, recent pension changes have had the disturbing effect of reducing workers' coverage and diminishing their retirement security. The PRIME bill that we are introducing today seeks to change that disturbing trend. More importantly, it seeks to expand pension coverage to an important and ever growing part of our labor force: small employees.

I urge my colleagues to join with us in this effort to improve the future retirement security of American workers.

SUPPORT A TOUGH CRIME POLICY

HON. RICK SANTORUM

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. SANTORUM. Mr. Speaker, on Wednesday, May 8, 1991, I rose in support of a tough crime policy and the right to bear arms as guaranteed to us by the second amendment of the Constitution.

A gun is a deadly weapon in the hands of a criminal. In order to reduce gun-related violence, firearms need to be kept out of the hands of potentially violent criminals. I believe

that the Staggers amendment was the best chance we had to take a small, but somewhat significant, step toward bringing the violence that plagues so many streets in this Nation under control. It was the only measure proposed which would have realistically addressed the problem of keeping firearms out of the hands of criminals without infringing upon the rights of law-abiding citizens.

In all honesty, though, the Staggers amendment alone would not have kept guns out of the hands of every criminal. Studies conducted by the Department of Justice have shown that most criminals obtain firearms through illegal channels. Under 20 percent of violent criminals purchase guns legally. Even though, both New York and Washington, DC, have the most restrictive gun laws in the United States, these two cities still have the highest murder rates. Gun control is not the answer to the violent use of firearms. We must punish those who perpetrate violent crime and at the same time address the systemic causes of it.

We need to control the criminals, not the guns, to make our streets safe from those who threaten our communities with the deadly use of firearms. The identification of felons attempting to purchase firearms is a partial solution to deterring gun-related crime. Legislation that strengthens penalties for criminals who use or who are caught carrying a firearm will serve to hold individuals accountable for their actions.

The administration's crime proposal is the type of package Congress must adopt. It includes additional measures to reform the legal system and streamline sentencing procedures. Punishment such as detention, restitution programs, and shock incarceration can also be utilized to aid in the rehabilitation of the individual and to curb prison overcrowding. The support of a meaningful crime bill, along with the passage of a computerized point-of-purchase criminal record check system, will take real strides to deter violent crime. The weakening of the President's proposal in the 101st Congress was a travesty and if this Congress is really serious about fighting crime, it has to show it by passing a tough crime package.

An investment in improving the organization and accessibility of criminal records would be an asset to law enforcement officers in the course of their job and also would be one of the most effective and practical ways to reduce violent crime. Three States already have a computerized criminal records system in operation, and it works. This is what the Staggers amendment would have established. I find it hard to believe that the House just passed a measure which does nothing more than postpone a purchase for 7 days. We do have the technology to implement a nationwide computer system that can be accessed by phone and efficiently employed without diverting the attention of law enforcement officers from the task of criminal apprehension.

But our approach to deterring violent crime must be holistic by addressing the reasons it happens along with punishing those responsible.

Therefore, we have to address the social factors which contribute to an environment that fosters acts of violence. We are the most violent Nation in the West. There were just

over 9,000 murders in the United States in 1960, but by last year, this had grown to an estimated 23,000. Rape has increased on the average 6.3 percent a year since 1960. We must also support the systems to keep people, particularly our youth, out of crime. Workfare, education and retraining, drug rehabilitation, and home ownership are all important items of an empowerment agenda that will help people pull themselves out of their present conditions, and out of the culture of violence.

It is for all of these reasons that I voted to support the Staggers instantaneous record check, and will work to see a strong comprehensive crime package passed this Congress.

MISDIRECTED BRADY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. CRANE. Mr. Speaker, on May 8, 1991, the House of Representatives approved the Brady bill—not its first blunder, and certainly not its last. This legislation would, among other things, require a 7-day waiting period before the actual purchase of a firearm. This 7-day wait would serve as a cooling-off period for would be criminals. Certainly, I can understand that many Americans might be sympathetic toward this legislation, but I contend that this well intentioned yet misinformed bill is a wolf in sheep's clothing.

The driving force behind this measure is the assassination attempt on President Reagan 10 years ago, and the tragedy that befell the President's press secretary, James Brady, after being hit by John Hinckley's bullet. It is a commonly known fact, however, that had this bill been law in 1980, John Hinckley still would have been able to perform this horrifying act because he purchased his gun 5 months before his assassination attempt and his record was clean. The fact is, the Brady bill is a criminal's dream come true in that it impedes law abiding citizens from purchasing tools of defense while crooks continue to freely exchange weapons on the black market, a world with which the vast majority of Americans have limited if any experience, knowledge, or access.

Not only is the Brady bill a step backward and a possible precedent for further abridgement of second amendment rights, but it is also based upon an ill-conceived premise. In fact, it is law abiding citizens that will be the most adversely affected should this bill become law. From a rational point of view, if an individual who wanted to commit a crime found that the local gun shop required him to wait 7 days to purchase his weapon of choice, would that stop him? Seventeen percent of felons purchase their guns legally, but it doesn't take a genius to figure out that if this law were enacted, it wouldn't even prevent that 17 percent from purchasing their guns. I don't believe, for instance, that if an individual who plans to rob a bank finds his legal purchase of a firearm to commit the crime is in any way hindered, that his personal integrity would pre-

clude him from buying a handgun through less than honorable means.

We have before us a perfect case study as to the effect of gun control. The District of Columbia is an ideal example of infringing upon the rights of the lawful, while lawlessness flourishes. In this city, which has one of the strictest gun control policies in the world, the per capita murder rate is the highest worldwide. Within the United States, a Nation revered as the haven for freedom, the Nation's Capital will not even allow citizens to carry defensive items such as mace, while the criminal underworld runs free, ravaging the city and its inhabitants, and making a mockery of any gun control policy. Many Brady advocates have argued that even though D.C. has a strict gun control policy, it borders upon two States, Virginia and Maryland, with liberal gun control policies. Depending upon one's definition of liberal, of course, I don't believe that a mandatory background check on every gun purchased, as is the case in Virginia, or a 7-day waiting period, as is the case in Maryland, could actually be considered lenient. Gun control is not the answer. What is needed are mandated minimum sentences for those who commit a crime with a firearm.

Beyond the more contemporary issue of protection against criminals is the issue of the intent of our Founding Fathers in creating the second amendment to the Constitution. I need not expound upon the fact that the foundation of our Nation is based upon the Constitution and the Bill of Rights. The second amendment states, "A well regulated Militia, being necessary to the security of a free State, the right of the people to keep and bear Arms, shall not be infringed." Basically, an individual's right to keep and bear arms is protected against any violation because, in the eyes of our Founding Fathers, the interest of a lawful individual's self-preservation against a tyrannical government, as well as any other real threats, is undeniable. Embodying the thought of the Framers, Samuel Adams stated that "the Constitution [should] never be construed * * * to prevent the people of the United States who are peaceable citizens from keeping their own arms." The experience of our Founding Fathers is unique and one with which few Americans can relate. Their threat was real and though it may seem distant in this day and age, a modern day interpretation of the second amendment can only mean that that which was bestowed upon Americans was an individual's right to defend himself, his family, his property, and his State—and this right should not be abridged. It is my belief and desire to maintain the intent of the Founding Fathers, and for that reason, throughout my years in Congress I have sponsored and supported resolutions designed to reaffirm congressional commitment to the original intent of the second amendment.

The Brady bill is flawed to an incalculable degree. It violates the intent of our Founding Fathers, the precepts of freedom, and the rights of the American people. It is my hope that the energy and vigor that has developed in support of this legislation can be rechanneled toward a more viable and realistic solution to the crime epidemic that plagues our great Nation.

INTRODUCTION OF NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT AMENDMENTS OF 1991

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. BOUCHER. Mr. Speaker, today, I have introduced a bill to amend the National Science Foundation [NSF] Authorization Act of 1988. The 1988 act provided for the first time a multiyear authorization of NSF. Passage of the 5-year authorization endorsed the proposal of the administration to double the budget to 5 years. This action was taken to enhance NSF's ability to carry out its central role in advancing scientific progress in the United States. The proposed amendments will adjust the authorizations in the final 2 years of the existing law and will provide some reordering of priorities.

The NSF is an independent Federal agency established in 1950 to promote and advance scientific progress in the United States. NSF builds scientific strength by funding research and education activities in all fields of science and engineering at more than 2,000 colleges and universities and other research institutions in all parts of the United States. While NSF funding comprises only 3 percent of all Federal R&D funds, it provides about 25 percent of basic research funding for colleges and universities and over 50 percent of Federal basic research support in such fields as math and computer sciences, environmental sciences, geosciences, and ground-based astronomy.

Moreover, NSF plays an important role in precollege and undergraduate science and mathematics education through programs of model curriculum development, teacher preparation and enhancement, and informal science education. Nearly 25 percent of Federal support for education and human resource development in science, math, and engineering is provided by NSF.

Scientific and technological innovation plays the leading role in increasing productivity in our economy. Since World War II, new technology has been responsible for nearly half of all productivity gains. Thus, science and engineering research and education provide the basis for present and future economic competitiveness. Basic research at academic institutions supplies a major part of the knowledge base supporting new industrial technologies and trains new generations of scientists and engineers, the human capital essential for sustaining the economic strength of a modern industrial society. Consequently, support of science and engineering research and education is an investment in the future well-being of the Nation.

Unfortunately, appropriations have not kept pace with the goal to double the NSF budget in 5 years. Also, funding for the Academic Research Facilities Modernization Program, established by the 1988 act to refurbish academic research laboratories, has reached only about 10 percent of the authorization level of \$250 million per year.

The principal purpose of the proposed legislation is to authorize appropriations for the

NSF scientific directorates for fiscal year 1992 and fiscal year 1993. The 1988 act provides an authorization for research and related activities [R&RA] for these 2 years but not for the scientific directorates which comprise R&RA. The bill also readjusts the total NSF funding authority to reflect the actual appropriation levels of the past 3 years.

For fiscal year 1992, the bill provides a total authorization of \$2.72 billion, the level of the President's budget request. This authorization provides an increase of 17.5 percent over the fiscal year 1991 appropriation, which translates into an increase of 16 percent of the principal disciplinary research programs, and an increase of 21 percent of Education and Human Resources, which supports science education activities at all levels of instruction. The increases will allow NSF to pursue important new initiatives in global change research, high-performance computing, and materials synthesis and processing. In addition, approximately \$125 million of the total budget increase of \$400 million will be used to support individual investigator and small group awards.

The bill includes some reprogramming of funds in fiscal year 1992 relative to the President's request. A total of \$23.5 million is removed from the request for R&RA and added to \$16.5 million removed from the request for the Academic Research Instrumentation Program in order to authorize a total of \$40 million for the Academic Research Facilities Modernization Program. No funds were requested for the latter program in the President's request.

The \$23.5 million removed from R&RA in fiscal year 1992 is the amount proposed to start construction of the Laser Interferometer Gravitational Wave Observatory [LIGO]. Although the bill prohibits construction of LIGO in fiscal year 1992, it does not limit support for laboratory research or design activities associated with the project. The intention of the provision is to require NSF to reconsider the timeliness of proceeding with full scale development of LIGO, particularly in light of the absence of a recommendation of support for LIGO in the recent report by the National Academy of Sciences Astronomy and Astrophysics Survey Committee.

For fiscal year 1993, the bill authorizes a total of \$3.07 billion for NSF, which is an increase of 13.4 percent above the fiscal year 1992 authorization level. This increase mirrors the administration's current plan to achieve doubling of the NSF budget by fiscal year 1994. Within the total authorization, R&RA is increased by 14 percent, Education and Human Resources by 13 percent, Academic Research Facilities Modernization by 10 percent, and Academic Research Instrumentation by 7 percent.

IMPROVED AIR SERVICE TO SMALL COMMUNITIES

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. OBERSTAR. Mr. Speaker, the purpose of this statement is to explain legislation I in-

roduced yesterday to assure adequate air service between small communities and high-density, slot-limited airports.

The bill would assure that sufficient landing and takeoff rights, or slots, are available at high density traffic airports to serve communities eligible for the Essential Air Service Program authorized in section 419 of the Federal Aviation Act. Section 419 was originally enacted as part of the Airline Deregulation Act of 1978, to assure that small communities were not left out of the deregulated air system. EAS was strengthened in the Airport and Airway Improvement Act of 1987, and again in the Aviation Safety and Capacity Expansion Act of 1990, passed as part of last year's budget reconciliation.

Because of funding limitations a number of original EAS communities lost their air service during fiscal year 1990. Some of these communities were restored to the program in last fall's legislation, but in the interim they lost their air service, and with that service, their slots.

While the Department of Transportation has ample authority to provide slots for these communities, DOT has refused to do so.

My bill would help restore their essential service. First, it states that slot availability is not a criterion in selecting carriers for EAS service. Second, that the Secretary should ensure that a sufficient number of slots at a high density airport are available on reasonable terms. If not, the Secretary is required to take whatever action is necessary to have the slots transferred or otherwise made available to the EAS carrier on reasonable terms.

The bill would also close a loophole in existing law, as interpreted by DOT, which has allowed airlines to take slots away from essential air service communities in spite of Congress' intent to the contrary. Section 419(b)(7) now requires that a carrier that proposes to suspend service at an EAS community must leave its slots behind for use by a replacement carrier. However, the law contains an exception where slots are "being used to provide air service to more than one eligible point." This provision has been interpreted by DOT to allow an air carrier suspending essential air service to keep the slots if it is also serving another EAS eligible point on the same flight, regardless of whether the service at the second point is necessary to meet minimum essential air service levels. Under this construction of the act, a carrier may remove slots entirely from the EAS Program by serving a strong eligible point, where its service is not necessary to meet EAS minima. It may then suspend service at the weaker point and keep the slots to serve the stronger point. However, because the slots at the stronger point are not being used to provide essential air service, the carrier is then free to transfer them to a service entirely outside the EAS Program.

This was clearly not Congress' intent when we wrote that provision into the 1987 act. The amendment would make it clear that an air carrier suspending service to an EAS community could not keep those slots unless they were being used to provide basic essential service to another EAS community.

CONGRATULATIONS STEPHEN
BERRY

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. CLINGER. Mr. Speaker, I rise today to ask my colleagues to join me in congratulating a fine young man from State College, PA.

Stephen Berry joined an elite group of high school seniors when he was recently accepted into the 1991 Presidential Scholars Program. Stephen attends State College Area High School.

The purpose of this program is to identify our country's most outstanding high school seniors and recognize them during national recognition week in Washington, DC each June. Stephen was 1 of only 1,500 seniors who were invited to apply for the program as a result of their high scores on either the Scholastic Aptitude Test or American College Test. Of this number, 500 finalists were selected by a review committee of 18 financial aid and admission officers and, in April, 141 Presidential Scholars were chosen by the White House Commission on Presidential Scholars. The Commission is composed of 30 eminent private citizens appointed by the President.

The scholars will be in Washington from June 15 to 20, 1991. While here, they will attend receptions, lunches, and seminars in their honor including a medallion ceremony on the South Lawn of the White House at which President George Bush will address them. The scholars will also receive a gift of \$1,000 to use for their education from the Gerald R. Dodge Foundation.

Mr. Speaker, we, as a nation, are facing a challenge to provide quality education for the next generation in a world which is becoming more high tech and more dependent on technology. The world is moving closer to a completely globalized economic system and, for America to remain a chief economic power, our future leaders must be able to think well and be innovative in their solutions to problems which a complex world will present them.

Mr. Speaker, I support programs such as the Presidential Scholars because they foster achievement in students and provide a means whereby excellence is awarded. Scholars such as Stephen Berry serve as a model for others to emulate and show that there is honor to be gained by being dedicated to one's education.

Mr. Speaker, Stephen Berry has received a prestigious award. He has brought distinction to both himself and his community.

I join Stephen's family and friends in congratulating him on a job well done, and wish him the best of luck in all of his future endeavors.

TRIBUTE TO MYRON ROBINSON

HON. ELIZABETH J. PATTERSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mrs. PATTERSON. It is with great admiration that I rise today to honor an outstanding

citizen and community leader from my State of South Carolina, Myron Robinson.

Having known and worked with Myron for several years, I have developed a great respect for his work with the Greenville Urban League as its president and chief executive officer.

A native of Youngstown, OH, Myron received his bachelor of arts degree from Youngstown Ohio State University, and has done additional studies at the University of Pittsburgh, and University of Wisconsin. He is also a graduate of the National Urban League's executive development training program at Harvard University.

Myron is highly regarded for his dedication and commitment to many civic organizations including membership in the Greenville Rotary Club, the American Federal Bank Board, the Greenville Commerce Club's board of directors, the Governor's Task Force on Reducing Health Cost, Alpha Phi Alpha Fraternity, and as a member and trustee of the Reedy River Baptist Church.

He also serves on the board of directors of the Junior League of Greenville County, the board of directors of the Greenville Municipal Baseball Stadium, as first vice president of the Council of Urban League Executives, the Junior Achievement board of directors, the United Way needs assessment board, as division chairman of the 1984-85 United Way campaign drive, and the State Chamber of Commerce board of directors.

Myron will be leaving the Greenville area to become president and chief executive officer of the Urban League of Greater Cleveland in Ohio. He will truly be missed in the community but his accomplishments will be everlasting.

Mr. Speaker, I am proud to know Myron Robinson and his exceptional contributions to the Urban League and extend my best wishes to him.

IN HONOR OF MRS. RUBY
HAIRSTON

HON. BOB McEWEN.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. McEWEN. Mr. Speaker, it is with great pleasure and pride that I rise today to honor Mrs. Ruby Hairston of Portsmouth, OH, who has spent her life proving the best department of health and human services that will ever exist is a loving family.

It is most appropriate that Mrs. Hairston will be honored by the Beula Baptist Church on Mothers Day, because for decades she has cared for hundreds of children in her community with the love and attention that only a mother could provide.

Over 30 years ago, Ruby and her late husband decided to become volunteer foster parents. Although the idea of "a thousand points of light" may be symbolic, the Hairstons have illuminated the lives of nearly 300 foster children over the years, along with adopting 13 youngsters. Mrs. Hairston credits her relationship with the Almighty God for providing the inspiration and energy to power this remarkable family.

Mr. Speaker, Ruby Hairston has said that love, affection, discipline, and self-esteem are the most important things in raising children. Who would doubt her recommendation when none of the hundreds of children she has cared for has run away or had problems with the law while under her care? Most parents only have the same success with their own small family.

At a time when needs of American families, and especially those of our children, are foremost in our minds, Mrs. Ruby Hairston is a remarkable example—not just for parents, but for anyone who wonders what children need to thrive and succeed. As Ruby says, children need affection to recognize that advice for what it is—a prescription for mother's love.

Mr. Speaker, I urge my colleagues to join me today in recognizing and commending the years of Ruby Hairston's dedicated service to the most important job in America—taking care of children, and providing them with a loving and caring family.

May God continue to bless Ruby, as she has dedicated her life to blessing others.

TAX TREATMENT OF CERTAIN
MERCHANT MARINE PAY

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. CARDIN. Mr. Speaker, I am today introducing legislation that recognizes the vital contribution to our Nation's Persian Gulf war effort made by the men and women of the merchant marine.

We have all noticed and celebrated the heroism and patriotism of the men and women of our Armed Forces. They made us proud, and we are excited about welcoming them home.

The world marveled at the performance of American troops and technology in the gulf war. Patriot missiles kept the skies clear of Scud's, and M-1 Abrams tanks swept the Iraqi forces from the desert. These triumphs of technology depended on the know-how of our troops, who demonstrated total command of the weaponry.

But the troops and the technology both depended on the merchant marine to deliver the goods. They transported the Patriots and the M-1's, as well as the chemical weapons suits, the gas masks, and the whole range of material that goes into a successful war effort. In addition to supplying the troops, they willingly subjected themselves to the dangers of the combat zone, braving mine/infested waters, docking at ports that were targets of Scud attacks, plowing through Saddam's oil slicks to carry cargoes that foreign crews wouldn't.

Mr. Speaker, I believe these men and women have not received the recognition they deserve for their efforts. The bill I am introducing today, which is identical to legislation introduced by Senator MIKULSKI in the other body, exempts the income earned by merchant mariners, up to \$2,000 a month, from Federal income taxes. The exemption applies to periods when these individuals served in combat zones.

This bill extends to the merchant mariners the same tax treatment we have proposed for officers in the Armed Forces. I believe it is an appropriate way for us to recognize the vital contribution the men and women of our merchant marine made to the successful war effort in the Persian Gulf. I welcome my colleagues' cosponsorship of this bill.

NATIONAL TRANSPORTATION
WEEK

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. YATRON. Mr. Speaker, the President recently proclaimed the week of May 13, 1991, as National Transportation Week. This week has been set aside to officially recognize the special and significant role that our Nation's transportation systems play in the U.S. economy as well as in our national defense structure.

National Transportation Week provides an excellent opportunity for us to reflect on the importance of America's transportation systems in the success of our Nation. We are blessed with the most efficient and effective transportation network in the world. Americans can travel with ease and convenience, and can also rely on the free and efficient flow of goods in commerce. Our transportation network forms an integral part of both U.S. commercial and military interests.

On May 15, 1991, the Reading Traffic Club will hold a special luncheon in recognition of National Transportation Week. The Reading Traffic Club is made up of men and women in the transportation industry who are responsible for the development of the first-rate transportation networks that Americans now enjoy. National Transportation Week affords us an opportunity to recognize groups like the Reading Traffic Club for their many accomplishments.

Mr. Speaker, I commend all of the members of the Reading Traffic Club for their past contributions and continuing commitment to our Nation's transportation systems. I know that my colleagues will join me in recognizing the entire transportation industry during National Transportation Week.

A BILL TO PROVIDE STUDENT
LOAN FORGIVENESS TO NURSES

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mrs. MINK. Mr. Speaker, today I have introduced a bill to provide student loan deferment and forgiveness to nurses and medical technicians. Our country is facing a severe shortage of nurses causing a health care crisis in our Nation. A crisis which has forced hospitals to close their doors to people in need of emergency care, turn away the sick and the elderly who are desperate for medical attention, and force their nursing staff to work 12-to-15-hour shifts.

There are over 200,000 unfilled nursing positions in our country today—clear evidence that the number of nurses has not kept pace with the rapidly growing need in the health care community. In the State of Hawaii, our shortage is so great that we must fly nurses into the State to work for 6 months at a time. While this might be a good short-term solution, we are in desperate need of nurses who live and work in our communities on a more permanent basis.

Unfortunately, the current rate of nursing school enrollment shows little hope for the future. Nursing schools around the country continue to report declines in their enrollment. And in an age where the nursing profession is becoming more technical, advanced degrees are often required to achieve expertise in medical technology.

The bill that I have introduced today will give students in nursing programs incentives and assistance in pursuing a career in this essential line of work. This bill will grant nurses full loan forgiveness under the Carl Perkins Student Loan Program for 5 years of service in the nursing profession. Those who serve less than 5 years will be eligible for forgiveness of a portion of their loan. It will also provide for a 3-year deferment of a Guaranteed Student Loan for full-time nurses and medical technicians.

Mr. Speaker, this bill is one way that we can fight the current health care crisis in our Nation and encourage students, young and old, to enter a profession that truly serves the needs of our citizens. I ask my colleagues today, to be a part of the solution to the nursing crisis and support of this bill.

MEXICAN FREE TRADE
AGREEMENT

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. HAYES of Illinois. Mr. Speaker, Members of this body are about to cast one of their most important votes. It will be on the Mexican Free Trade Agreement. Let me assure my colleagues that there is not anything free about this agreement for America. We export jobs and income to Mexico. In fact, this package should be called the "Flee America Trade Give-Away."

"Flee America" encourages corporations to close up shop in the United States. Companies which are considering investing in domestic plants and equipment will, instead, threaten to leave unless they are given exorbitant tax incentives. American workers will be told to give back wages and benefits, because they cannot compete with cheap labor South of the border.

If "Flee America" passes, the President assures us, American jobs will not be lost.

If "Flee America" passes, the President tells us, we must trust him to improve the rotten wages and working conditions that Mexicans endure.

If "Flee America" passes, the President wrote us, we should trust him to keep the wellbeing of the Mexican workers in mind. Yet he

knows that this is nothing more than blatant exploitation of workers on both sides of the border.

Mr. Speaker, workers on both sides of the border have been fed promises for too long. I urge my colleagues to vote against the agreement.

TRIBUTE TO MS. JO ANN
BIRCHFIELD

HON. BUD CRAMER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. CRAMER. Mr. Speaker, it is my privilege today to give tribute to an outstanding resident of my district, Ms. Jo Ann Birchfield, who is retiring after 33 years in education.

Ms. Birchfield is a native Alabamian, born in Guin. She graduated from Guin High School and received a BS degree in elementary education and certification for elementary principal from the University of Alabama in Tuscaloosa. She received her AA degree in elementary education from the University of Alabama in Huntsville.

Ms. Birchfield taught school in Jasper, Tuscaloosa, and Huntsville for a total of 8 years. She also coordinated and taught a summer school at Montevallo College. She opened West Mastin Lake School in Huntsville in 1965 and was principal there for 5 years. She has been principal of Roger B. Chaffee Elementary School in Huntsville for 21 years, from 1970 to 1991.

She has been published in Instructor Magazine and has served as district II president of elementary school principals and district II accreditation chairman. She is a member of NAESP and HASA professional organizations.

Jo Ann Birchfield is recognized in the community for her love and respect for children. She has been dedicated to team teaching and innovative programs that make learning exciting. She is one American whose contribution to the lives of teachers and children strengthen the building blocks that make this a great nation.

THE TOURISM POLICY AND
PROMOTION ACT

HON. JIM BACCHUS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. BACCHUS. Mr. Speaker, I rise today as the proud representative of constituents such as Mickey Mouse, Shamu the Killer Whale, and King Kong.

As we celebrate National Tourism Week, I pay tribute to these characters, to the people who created them, and to the industry that fulfills our dreams.

My central Florida district, home to miles of beautiful beaches and attractions such as Walt Disney World, Sea World, and the studios of Universal and Disney-MGM, is the tourism capital of the United States and possibly of the entire world. I take great pride in this fact, for we are the Mecca of family-oriented vacations.

I am proud also to be a member of the congressional travel and tourism caucus. It has been a pleasure to work with the chairman of the caucus, my colleague from South Carolina Mr. TALLON, and I thank him and congratulate him for his hard work on this issue.

Because it is such a vital part of my district, I am aware of how important tourism is to our Nation's economy. But I am deeply concerned that many others may not be. Because tourism involves having fun, some people may not understand tourism's significant economic value.

So let's look at some serious numbers.

Travel and tourism are the largest generators of export revenue in this country, bringing \$53 billion in foreign money into the United States in 1990. Last year, we had a surplus of \$4.7 billion in tourism-generated revenue at a time when we had an overall merchandise trade deficit of \$101 billion.

Nowhere is this economic impact clearer than in my district.

In Orange and Osceola Counties, in central Florida, tourism had a direct impact of nearly \$5 billion in 1989. The city of Orlando saw more than 13 million visitors in 1989 alone. The revenue collected from tourists and tourism-related businesses in these two counties saved the average household \$300 in taxes, equaling \$115 for every man, woman, and child. Employment from the industry, directly and indirectly, accounts for one of every four jobs in the two counties. Every time 1,000 people visit Orange County, 11.5 new jobs in tourism are created as are 7.9 new jobs in other industries.

In Brevard County on the Atlantic coast, 1.3 million visitors spent \$646 million in fiscal year 1989-90. Tourism accounted for nearly 21 percent of all retail sales in the county. A special tourism tax has generated revenue for a range of projects, from a new zoo to the replenishment of eroded beaches.

In addition to Walt Disney World and other attractions, my district includes the Kennedy Space Center, our Nation's gateway to the stars. Hundreds of thousands have shared the thrill of watching a space shuttle thunder into a clear blue sky. Each day, thousands tour Spaceport USA and experience the history and pride of America's journey in space.

My district is blessed with natural wonders as well. It is home to the oldest national wildlife refuge, the Pelican Island National Wildlife Refuge that President Teddy Roosevelt established in 1903, and to the newest refuge, the Archie Carr Refuge that is so vital to the survival of sea turtles that nest there. We have beautiful beaches, peaceful lagoons, meandering rivers, all providing swimming, boating, and fishing.

I'm sure my colleagues are equally proud of what their districts have to offer. Our Nation has an endless array of tourism destinations. But we can't sit back and assume we will forever attract tourists without an extra effort.

We need to start treating tourism as a serious export business. That is why I am cosponsoring Mr. ROTH's bill, H.R. 418, the Tourism Policy and Promotion Act. This bill will require the Secretary of Commerce to issue monthly statistical reports on U.S. international travel receipts, and to identify policies of foreign countries that constitute significant barriers to

U.S. tourism exports. It will also set national goals to increase U.S. export earnings from tourism and transportation services. These requirements will treat the tourism industry with the attention it deserves. I urge my colleagues to support this legislation.

Tourism is the life blood of central Florida and other communities across America. The Congress needs to illustrate how much money tourism brings into our country, and impress upon America the importance of the tourism industry.

SUPPORT FOR STAGGERS BILL IS THE ONLY WAY

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. LEWIS of Florida. Mr. Speaker, it is important to realize that the series of votes yesterday regarding the Brady bill and Stagger's substitute amendment were about reducing handgun crimes.

A waiting period without a background check, as provided for in the Brady bill, undermines the goal in reducing handgun crime for one very critical reason. No background check means no mechanism in which to verify a handgun sale to a felon, drug abuser, or mentally ill individual. A 7-day waiting period with no background check simply allows criminals to access their handguns on the 8th day.

As a more effective means of keeping guns out of the wrong hands, I voted in support of Congressman Stagger's bill that would have established a system like we have in Florida on a national level, where immediate telephone background checks at the time of purchase prevented over 1,400 criminals from buying guns in the first 2 months of operation.

The epidemic of violent handgun crime in our country must stop. On an overall level, I believe this is best achieved through tough criminal penalties. However, if we want to keep guns out of the hands of criminals then we need to check the records.

I am hopeful we can work toward a compromise in the 102d Congress on a waiting period and instant background check in an omnibus crime bill to get tough on criminals on all fronts.

INTRODUCTION OF TVA COLLECTIVE BARGAINING LEGISLATION

HON. JIM COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. COOPER. Mr. Speaker, for over 2 years, I and my colleagues on the Tennessee Valley Congressional Caucus have proposed legislation that is very important to thousands of TVA employees. This Congress, we offer this bill again with high hopes of working with the Committee on Post Office and Civil Service for its swift passage.

During the summer of 1988, the employees of the Tennessee Valley Authority [TVA]

brought a disturbing problem to the attention of the TVA Caucus. The Office of Personnel Management [OPM] had proposed a regulatory change that escalated the importance of employee evaluations during layoffs of Federal agencies. Ordinarily, OPM regulations would not apply to TVA. But TVA believed this one did.

Needless to say, the employees strongly disagreed. Before the dispute could be settled, a major development occurred: TVA announced the most massive reduction in force in TVA history, cutting the work force by nearly 20 percent.

I'm sure my colleagues can understand how painful these layoffs felt to TVA employees and their families. But you might be surprised to hear that virtually the entire TVA community, including ratepayers, civic leaders, labor unions, and elected representatives, agreed TVA was paying a high price for its oversized and inefficient. For the good of its long-term health, TVA needed to take drastic action. TVA assured Congress that it proposed to cut no more staff than were absolutely necessary to keep TVA's electric rates competitive.

Unfortunately, the demands of the legislative calendar did not permit action on this issue to help employees affected by that layoff. But action by this Congress could ensure that TVA's work force does not have to relive the frustration caused by this regulation in future layoffs.

LAYOFF RULES CHANGE WITH NO CONSULTATION

Before 1986, TVA and its unions entered agreements that included references to civil service regulations on layoffs. Importantly, these regulations followed strict seniority.

In 1986, OPM changed its regulation to require Federal agencies conducting layoffs to use a new formula to give extra seniority credits to employees based on their evaluations in years past. Some months later, TVA announced that it would be adopting OPM's credit for performance scheme. Even though the TVA Act gives it the freedom to negotiate its own contracts with employee unions, TVA held that it was bound by this regulation.

The TVA unions objected strongly. No employee had been consulted on the formula proposed in the new regulation, and no agreement was entered on the substance of the scheme. They contended that such a change should be bargained over or arbitrated. But TVA asserted that it had no choice in the matter, that it was required by law to follow the OPM regulation.

The unions filed suit against TVA in Federal court disputing the applicability of the regulations and demanding that TVA enter binding arbitration on the issue. With one set of "trades and labor" unions, TVA agreed to arbitrate. But with the other set of "salary policy" unions, TVA appealed the decision.

On February 28, 1989, the Federal appeals court ruled that TVA did not have to arbitrate the issue with "salary policy" unions. This left the controversial regulation in place at TVA. The "salary policy" unions know of no remedy except legislation.

TVA: A CIVIL SERVICE HORSE OF A DIFFERENT COLOR

Let me point out three things about TVA that make this situation unique. First, TVA is not like the typical Federal agency. It is set up with the flexibility of a private power corporation. The workplace needs and employee pro-

tections at TVA don't compare well with most Federal agencies.

Second, for employees, TVA's flexibility has advantages and disadvantages. Employees of other Federal agencies have a host of civil service laws and Federal labor laws to protect and benefit them. TVA employees are governed by the TVA law and the collective bargaining agreements they enter with management. Usually, it is to their advantage, since their workplace is so different from other Federal agencies. But imposing select civil service regulations on them in a piecemeal fashion can work against their own efforts. For example, with OPM's layoff regulation, other Federal workers have rights to grieve their evaluations; but many TVA union members don't have that right.

Third, no Federal agency in recent years has laid off workers on a scale as dramatic as the TVA layoffs. The grand scale magnified the weaknesses of the OPM regulation for the TVA employment system. It made the unfairness to employees seem even more harsh.

THE PROPOSED SOLUTION

My colleagues and I offer a simple solution. Our bill clarifies that OPM's credit for performance regulation does not apply to TVA and its employees. In effect, it clarifies TVA's right to bargain freely with its employees on this issue. This right was always a fundamental strength of the TVA Act for both labor and management. We believe that its restoration on this point will work to the long-term benefit of TVA and its workers. They are in a much better position to design rules to fit their unique needs than OPM is from its Washington offices.

We do not believe TVA will lose anything from this bill. If TVA wants to consider performance at layoff, it can negotiate with the unions for a fair provision. More importantly, TVA has plenty of flexibility to deal with poor job performance. TVA has no excuse for accepting poor performance. If an employee fails to meet performance standards, TVA can terminate his or her employment.

This bill is not retroactive. It is our belief that a retroactive bill would create more problems than it would solve. We have no desire to reverse the painful layoffs of the past few years.

ACCEPTING NO LESS THAN THE BEST

Mr. Speaker, I want to be clear that, instinctively, I support incentives to improve employee performance. And most union members I've talked to feel the same way. No employee likes to work alongside someone who goes off, leaving more work for everyone else. More importantly, TVA is a power agency where workplace safety is paramount. No employee can afford to trust his or her life to sloppy job performance of a negligent worker. The TVA Congressional Caucus strongly supports the concept of performance evaluations. It's just that OPM's extreme provision doesn't work well at TVA. It has failed to improve employee performance. It just causes problems.

Let me offer a simple example using the OPM scheme for two hypothetical TVA workers. Suppose the first employee started working at TVA only 3 years ago. He could be evaluated as performing "better than fully adequate," especially for a new worker, for each of those years. If so, he would have 16 years credit added—bringing his total seniority to 19 years—for only 3 years on the job.

Now let's look at a second employee. Perhaps she began working at TVA 6 years ago, and her performance during the past 3 years was judged to be "fully adequate." She has met the responsibilities required of someone at her level. But her total seniority would only be 18 years.

Under this formula, an employee with 3 years on the job ends up with more seniority than the one with 6 years on the job.

For employees, this formula gives far too much weight to fuzzy differences in performance evaluation. The difference between "fully adequate" and "better than fully adequate" seems like the difference in an "A" and a "B" on a report card—both being good grades, far from failure. But this subtle difference in the two grades for employees is based on very subjective evaluations, and many employees believe strongly that evaluations vary from supervisor to supervisor and office to office. In the OPM layoff scheme, this difference has completely toppled the seniority scale. It takes little account of the importance of long-term service. It ignores the different nature of the demands on junior and more senior staff.

ADDED FRUSTRATION

To frustrate the employees further, most of the evaluations in question were made before either TVA or its workers had reason to know that they would be used to calculate seniority this way. Under the OPM regulations, TVA had to use the 3 previous years' evaluations. So employee evaluations from the years 1985, 1986, and 1987 were used in the 1988 layoffs.

However, at the time the evaluations in 1985 and 1986 were conducted, employees and supervisors had no reason to know that they would have any bearing whatsoever on layoffs. TVA didn't decide to change the system until December 1986, after evaluations had been performed for that year. So when the big layoffs hit in 1988, employees had no right to challenge those old evaluations.

PROMPT ACTION NEEDED

We need to move this legislation quickly, Mr. Speaker. TVA Chairman Marvin Runyon has promised the ratepayers of the seven-State service region that TVA will not have a rate increase this year. I hope that no more layoffs will be necessary. But if they do occur, we need to be better prepared this time and make sure this regulation will not unfairly harm good employees.

Mr. Speaker, the TVA has undergone more layoffs in recent years than any other Federal agency. OPM's regulation has caused much frustration, confusion, and anger among TVA employees. It's had little effect on performance, except to the extent that it caused turmoil. For the benefit of ratepayers and employees, TVA and its unions should have the flexibility to agree on their own provision. I ask your assistance, along with the chairman and members of the House Committee on Post Office and Civil Service, in passing this legislation soon.

ON PENALTY-FREE IRA WITHDRAWALS FOR UNEMPLOYED WORKERS

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. RUSSO. Mr. Speaker, the last thing we should do is to kick an employed worker when he or she is down. But that's what we do through the Tax Code when unemployed workers are forced to make early withdrawals from their IRA's in order to make a house payment or just to make ends meet.

Today, I am introducing a bill which would waive the current 10 percent penalty on early withdrawals from IRA's and qualified retirement plans for unemployed workers who have lost their jobs because of a plant closing or slowdown. The maximum amount which could be withdrawn is \$1,200 for each month that the worker is unemployed. This amount represents about the national average for a monthly mortgage payment, including taxes and insurance. To make sure that this legislation would only benefit Americans who are truly in need, I have limited withdrawals to families which make less than \$70,000 per year and have less than \$800 in interest and dividend income.

This bill would help workers hurt by the ongoing recession which has hit both lower- and middle-income families and caused many to dip into their savings just to get by. The IRS shouldn't penalize Americans who reluctantly pull cash out of their nest egg because of genuine financial hardship. My bill would make sure that these workers are not penalized for making an early withdrawal from their Individual Retirement Account in order to preserve what is often their most important retirement asset: their own home.

H.R. 713—TEXTILE MACHINERY MODERNIZATION

HON. H. MARTIN LANCASTER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. LANCASTER. Mr. Speaker, textiles and apparel are strategic commodities, considered by the Defense Department as essential to emergency mobilization. That importance was demonstrated during Desert Shield/Desert Storm when the textile industry was called on to provide desert camouflage uniforms in vast numbers overnight. To produce these commodities, manufacturers must have reliable machinery, parts, and service—preferably U.S. based.

That's why the U.S. textile machinery industry also is critical in defense planning. And that's just one reason why we should support the industry's effort to close the technology gap by passing H.R. 713. This bill would help the industry compete against rising imports. I would allocate a modest \$10 million out of existing tariff revenues from imported textile machinery to be applied to industry research and development.

May 9, 1991

EXTENSIONS OF REMARKS

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A 1983 U.S. Army study noted that no U.S. textile mill could be equipped with all U.S.-made machinery. This situation is not yet a serious threat to mobilization needs. But the study raised concerns about the future composition of the domestic textile machinery industry and ability to service foreign-made machinery.

We can stop the threat from ever becoming real. It already was real in 1983 for one defense-related need—industrial sewing needles. There are no U.S. producers. Even if enough skilled labor could be found, it would take 4 years to start up a new plant.

Now is the time to stop further erosion of our defense-sensitive industrial base. We can start by supporting the U.S. textile machinery industry. We can start by supporting H.R. 713.

NEAL PRAISES GARDNER BUSINESS FOR BEING NAMED SBA "SUBCONTRACTOR OF THE YEAR"

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1991

Mr. NEAL of Massachusetts. Mr. Speaker, it brings me great pride to pay tribute to the Precision Optics Corp. of Gardner, MA., who have recently been selected New England "Subcontractor of the Year" by U.S. Small Business Administration. Their high standards and commitment to excellence have earned them the distinction of being named as an "Ideal American Small Business" by the SBA, and as their Representative in Congress, I ask all of my colleagues to join with me in recognizing this significant achievement.

Each year the SBA honors a small business prime contractor and subcontractor in each of its 10 regions. The award takes into consideration such factors as management, finance, labor relations, and quality performance. Precision Optics easily met and surpassed all of the necessary criteria. In fact, the SBA concluded that the companies outstanding "workmanship quality, commitment and determination" is unmatched in the New England region.

Precision Optics, under the leadership of its president, Richard E. Forkey, currently has 31 employees from greater central Massachusetts. The company specializes in medical-industrial optical systems design and development of night vision component design. Since 1983, they have served their customer base with distinction, and in 8 short years have risen to the top of their profession.

I am honored to have Precision Optics in my district and proud to be able to recognize their accomplishments here today.